THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP

CONDOMINIUM OFFERING PLAN

wellington tower

WELLINGTON TOWER CONDOMINIUM
350 EAST 82ND STREET
NEW YORK, NY 10028

	Price to Tenants(1)	Price to Non-Tenants
Total Purchase Price for the Sale of 148 Units	**$ 126,967,500**	**$ 142,215,000**
Working Capital Fund (2)	**$ 25,000**	**$ 25,000**
Reserve Fund (3)	**$ 3,809,025**	**$ 3,809,025**

(The Condominium will include 148 Residential Units of which 147 Residential Units are being offered for sale hereunder, and 1 Garage Unit, 1 Retail Unit, 1 Community Facility Unit and 1 Valet Unit ("Commercial Units"). The Commercial Units are being retained by Sponsor and are not being offered for sale in this Plan. One (1) Residential Unit is being sold to the Condominium to be used as the Resident Manager's Unit.)

(1) See Section entitled "Rights of Existing Tenants" for a discussion of the rights of tenants to buy their own Units during the first 90 days of this offering and Schedule A which reflects a 10% Price Reduction.
(2) This amount represents an advance by Sponsor at the First Closing of the Working Capital Fund to be established by Purchaser's contribution of two (2) months Common Charges at each initial Closing of Residential Units and at each resale Closing of Residential Units. This Working Capital Fund Advance as well as an advance by Sponsor for closing costs in connection with the purchase of the Resident Manager's Unit will be repaid to Sponsor from the Working Capital Fund. See the Section of the Plan entitled "Working Capital Fund and Apportionments."
(3) This is an estimate of the amount of the Reserve Fund required by Law. The actual amount cannot now be determined. See the Section of the Plan entitled "Reserve Fund."

Sponsor:	**Selling Agent:**
Wellington Fee LLC **390 Park Avenue, 3rd Floor** **New York, New York 10022**	**Classic Marketing LLC** **230 East 73rd Street** **New York, New York 10021** **(212) 794-3500**

Filing Date of this Offering Plan: February 9, 2006. This Offering Plan may not be used after twelve months from the Filing Date, unless this Offering Plan is extended by amendment.

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

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN (SEE SPECIAL RISKS OF THE PLAN.)

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

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PART I

CONDOMINIUM OFFERING PLAN

WELLINGTON TOWER CONDOMINIUM
350 EAST 82nd STREET
NEW YORK, NEW YORK 10028

SPECIAL RISKS

1. A law enacted by the New York City Council provides a formula for determining the amount of the Reserve Fund. The exact amount of the Reserve Fund cannot be ascertained until the Plan is declared effective. Sponsor reserves the right to take a credit against the Reserve Fund for qualifying work performed in the Building (see the Section of the Plan entitled "Reserve Fund" and the Reserve Fund Law (Local Law 70) in Part II of the Plan for further details).

2. (a) At the time a Purchase Agreement is executed, a Tenant-Purchaser is required to make a Deposit in an amount equal to 5% of the Purchase Price, and a Non-Tenant-Purchaser is required to make a Deposit in an amount equal to 10% of the Purchase Price. In the event a Purchaser defaults under his Purchase Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within 30 days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, cancel the Purchase Agreement and (i) retain, as liquidated damages, the Deposit together with interest earned thereon and any amount spent by Sponsor for special work requested by Purchaser, or (ii) seek specific performance. Notwithstanding the foregoing, Sponsor shall not exercise its right to file an action for specific performance against a Tenant-Purchaser who purchases the Unit such Tenant-Purchaser occupied on the Filing Date of the Plan. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

TIME IS OF THE ESSENCE of Purchaser's obligations under the Purchase Agreement, including, without limitation, the payment of the Balance of the Purchase Price. According to Black's Law Dictionary (Revised Fourth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party.

(b) If a Purchaser makes a Deposit in excess of $100,000 for the purchase of a Residential Unit, the amount in excess of $100,000 will not be federally insured. Additionally, while the Deposit is in the non-interest bearing position of the Master Escrow Account, the Deposit may not be federally insured even if the Deposit does not exceed $100,000. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

(c) If a Purchaser fails for any reason to close title to his Residential Unit on the originally Scheduled Closing Date other than due to Sponsor's failure or inability to close, and Sponsor elects not to cancel the Purchase Agreement as a result of the same, (a) the apportionments to be made at the closing will be made as of midnight of the day preceding the Scheduled Closing Date, and not as of midnight of the day preceding the Actual Closing Date, and (b) the Purchaser shall be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Residential Unit for each day commencing with the Scheduled Closing Date through the day before the Actual Closing Date. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(d) The signing of the Purchase Agreement signifies the Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including, but not limited to, the Residential Unit, the Building and all Common Elements contained therein. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Residential Unit, the Building or the Common Elements, except as may otherwise be set forth in the Plan. (See the sections of the Plan entitled "Procedure to Purchase" and "Rights and Obligations of Sponsor" under the subsection entitled "Sponsor's Undertaking with Respect to Certain Improvements and Replacements to the Common Elements" for details.)

(e) Although a Purchaser may obtain financing from any lending institution or other source, the Purchaser's obligation to purchase a Unit pursuant to a Purchase Agreement is not contingent on the Purchaser obtaining such financing. Neither Sponsor nor Selling Agent makes any representation as to

the availability or terms of any mortgage financing. Prospective Purchasers may want to finalize their financing arrangements before signing a Purchase Agreement and should be aware that even if a loan commitment is obtained, its terms may be limited, and it could expire before the Closing Date. (See the Section of the Plan entitled "Procedure to Purchase" for details).

3. Purchasers shall be required to pay at Closing of their Residential Units the New York City Real Property Transfer Tax, New York State Real Estate Transfer Tax, and New York State Additional Real Estate Transfer Tax, commonly referred to as the "Mansion Tax," imposed on their purchase. The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation of the State Real Estate Transfer Tax and the New York City Real Property Transfer Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to the tax. (See the Section of the Plan entitled "Closing Costs and Adjustments" for details).

4. 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) rent and any other charges pursuant to a lease or tenancy, if any, covering Purchaser's Residential Unit. In the event the Units have not been separately assessed and billed to Unit Owners for real estate tax purposes prior to the First Closing, at each Closing each Residential Unit Owner will pay a pro rata share with respect to the Property (in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes in a lump sum for the next ensuing tax period and thereafter on a monthly basis to the Condominium as Common Charges. The Condominium will be responsible to pay such taxes either to the New York City Department of Finance or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Residential Unit Owner fails to pay such Residential Unit Owner's pro rata share as set forth above, the Sponsor or the Condominium, as the case may be, will have a lien on such Residential Unit for non-payment of Common Charges. At such time as a Residential Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority. (See Schedule A for an estimate of real estate taxes payable during the first year of condominium operation and the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for details.)

5. Prior to the Closing of Title to a Residential Unit, the Purchase Agreement prohibits a Purchaser from advertising or otherwise offering, listing, promoting or publicizing the availability of the Residential Unit for sale or lease. (See the Purchase Agreement set forth in Part II of the Plan.)

6. During the Initial Control Period, Sponsor will exclusively designate a majority of the members and shall have voting control of the Condominium Board and therefore control of the operation of the Condominium. Sponsor may continue to exercise veto power over certain actions of or contemplated by the Condominium Board after the Initial Control Period. For so long as Sponsor shall continue to own Unsold Units representing at least 25% of the Common Interest attributable to all Units, but in no event later than 5 years after the First Closing, whichever shall occur first, 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, Residential Common Charges or Special Assessment 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 (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 deemed required (and no other reasonable alternative is available) to enable the Condominium to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium or to remedy any notice of violation or to remedy any work order of an insurer. (See the Section of the Plan entitled "Control By Sponsor" for details.)

7. No amendment, modification, addition or deletion of the Declaration, By-Laws or Residential Rules and Regulations shall be effective in any way without the prior written consent of Sponsor, the Owner of any Unsold Residential Unit or any affected Commercial Unit Owners, as the case may be, with respect to any such amendment, modification, addition or deletion which modifies the permitted uses of the Building or any portion thereof (including the Commercial Units) or affecting the rights, privileges, easements, licenses or exemptions retained or granted to Sponsor, the Owner of any Unsold Residential Unit or the Commercial Unit Owners or which otherwise, in the opinion of Sponsor or the Owner of any Unsold Residential Unit or the Commercial Unit Owners, as the case may be, would have the effect of adversely affecting Sponsor, or the Owner of any Unsold Residential Unit or the Commercial Unit Owners, as the case may be. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for details.)

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

9. The Commercial Units may be subdivided by the Commercial Unit Owners or any subsequent Commercial Unit Owners into multiple separate condominium units and offered for sale without prior notice and without amendment to the Plan. (See the Section of the Plan entitled "Commercial Units" for details.)

10. At or subsequent to the First Closing, Sponsor shall sell and convey Residential Unit 11G to the Condominium to be used by the Resident Manager and designated as the Resident Manager's Unit. The Condominium shall be responsible for the payment of all closing costs incurred in connection with the purchase of the Resident Manager's Unit. The costs and expenses attributable to the Resident Manager's Unit will be allocated amongst all Unit Owners as a Common Expense in accordance with Schedule B, including the costs of utilities, basic telephone service and the costs of financing the purchase of the Resident Manager's Unit, real estate taxes and the costs of repairs, alterations and improvements undertaken by the Condominium attributable to the Resident Manager's Unit. The Purchase Price of Unit 11G is $1,140,000. At the Closing of Title to the Resident Manager's Unit, the Condominium, on behalf of all Unit Owners, will pay the Purchase Price by executing and delivering to Sponsor one or more purchase money note(s) in the aggregate amount of $1,140,000 secured by one or more mortgage(s) on the Resident Manager's Unit. The purchase money note(s) will bear interest at the then prevailing rate (currently projected at 7%) and will provide for the payment of equal installments of monthly interest and require a balloon payment of principal on the maturity date, the 5th anniversary. Sponsor does not intend to refinance or extend the purchase money note and purchase money mortgage at maturity. Purchasers are advised that refinancing by another lender may not be available and that the Condominium, in order to repay the purchase money note, may be required to assess all Unit Owners in proportion to their respective Common Interests. At Sponsor's option, the note(s) and mortgage(s) will be assigned to an Institutional Lender. All closing costs, without exception, including but not limited to, origination and application fees, recording fees, mortgage recording taxes, mortgage and fee title insurance, legal fees and

transfer taxes due in connection with the transfer and mortgage of the Resident Manager's Unit (estimated to be approximately $65,000) will be paid from the Working Capital Fund. In the event that the Working Capital Fund is not sufficient to pay these closing costs, Sponsor will advance the funds necessary on behalf of the Condominium in exchange for an interest-free promissory note in favor of Sponsor secured by the Working Capital Fund in the amount of the funds so advanced ("Resident Manager's Unit Advance"), providing for repayments of principal only from the Working Capital Fund. In the event the Condominium defaults under the note(s) and mortgage(s), including, but not limited to a default as the result of the Condominium's failure to pay the balance of the purchase money note(s) due at maturity, the holder may foreclose on the Resident Manager's Unit and if the proceeds from the sale of the Resident Manager's Unit are insufficient to satisfy the outstanding mortgage balance and other fees incurred, the Unit Owners could be liable for the deficiency. In the event of such a foreclosure, the Condominium will be without a Resident Manager's Unit. Accordingly, alternate arrangements will be necessary to shelter the Resident Manager in the Condominium or within such distance of the Condominium as is then required by law.

Sponsor reserves the right, in its sole discretion, to choose a different Residential Unit other than Residential Unit 11G to sell to the Condominium as the Resident Manager's Unit; provided, however that such sale shall only be made pursuant to an amendment to the Plan and shall not result in the Condominium incurring financing charges, real estate taxes, and maintenance costs for such Unit the sum of which exceed the costs of owning Residential Unit 11G as set forth in Schedule B, by more than 25%.

Sponsor reserves the right to not to sell a Residential Unit to the Condominium for a period of up to two (2) years during which period Sponsor will rent the Residential Unit occupied by the Resident Manager to the Condominium. From the date of the First Closing until the transfer of title of the Resident Manager's Unit, the Condominium shall pay to Sponsor, rent in an amount equal to the sum of the following: (a) principal and interest which would have been due on the purchase money note, had same been executed by the Condominium, (b) real estate taxes assessed against the Unit occupied by the Resident Manager, and (c) all other costs associated with maintenance of the Unit occupied by the Resident Manager as set forth in Schedule B. In the event Sponsor exercises the right to rent the Resident Manager's Unit to the Condominium, the rental payments will not be credited against the purchase price. (See the Section of the Plan entitled "Schedule B, "Budget for First Year of Condominium Operation" for further details regarding the costs of housing the Resident Manager).

11. The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the Building payable with respect to each Unit for the first year of condominium operation will be allocated in proportion to each Unit's respective Common Interests but there is no assurance given and none to be inferred that this method will be the same method actually employed by the local taxing authority in arriving at the amount of real estate taxes for each Unit. (See the Section of the Plan entitled "Real Estate Taxes" for further details.)

12. 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 Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

13. (a) The apartments in the Building are subject to the Rent Stabilization Law and the regulations promulgated pursuant thereto ("Rent Laws") solely by virtue of the Building's participation in the real estate tax benefits program under section 421-a of the Real Property Tax Law ("Section 421-a Benefits"). Pursuant to the section 421-a program, the apartments in the Building are subject to the Rent Laws until the expiration of the Section 421-a Benefits on June 30, 2011 ("Section 421-a Expiration Date") or upon the expiration of the applicable provisions of the Rent Laws, if sooner. A Non-Purchasing Tenant in occupancy of an apartment in the Building on the Section 421-a Expiration Date, whose lease

expires after the Section 421-a Expiration Date, will be permitted by law to remain in the apartment until the expiration date of the lease then in effect, at the rent set forth therein. However, upon the expiration of such lease, in accordance with GBL Section 352-eeee (set forth in Part II of the Plan), any renewal lease offered to such tenant will no longer be subject to the Rent Laws. See the Sections of the Plan entitled "Rights of Existing Tenants" and "Real Estate Tax Exemption Benefits" for further information.

(b) The projections of real estate taxes payable by each Residential Unit Owner set forth in Schedule A reflect the 421-a Benefits currently in effect. Prospective purchasers should note that the real estate taxes that will be payable by the Unit Owners for future years will vary in accordance with the amounts of the Residential Unit's assessed valuation (transitional and actual) and of the real estate tax rate. In this regard, prospective purchasers should note that, assuming the partial exemption from real estate taxes pursuant to Section 421-a is maintained, the real estate taxes payable by the Residential Unit Owners will in any event increase periodically until the Section 421-a Expiration Date as an integral part of the Section 421-a program. The tax exemption program provides that the increase in a newly constructed building's assessed valuation over such property's assessed valuation for the fiscal year before construction began is partially exempted up to a maximum of 100% for two years (plus the period of construction, not to exceed 3 years), up to 80% for the next two years, up to 60% for the next two years, up to 40% for the next two years and up to 20% for the last two years of a 10 period. According to the New York Department of Finance records, the Property, as of the tax year 2005/2006 is currently in its first 60% exempt post-construction year. Accordingly, the Section 421-a benefits are scheduled to expire after the 2010/2011 tax year.

Neither Sponsor, Sponsor's Counsel, Sponsor's Special Counsel, the Selling Agent, the Managing Agent, nor any other person makes any warranty that the partial exemption from real estate taxes under Section 421-a will not be reduced or revoked in the future, or as to the amount of the tax which will be assessed against any Unit or the amount of real estate taxes payable at any time by any Residential Unit Owner.

14. In accordance with the terms of the Plan, Sponsor has the right, following the expiration of the Exclusive Purchase Period, to sell occupied Residential Units to one or more non-occupant Purchasers for investment or resale. Accordingly, it is possible that certain Residential Unit Owners will not be residents of the Building. Any such sales are subject to the rights, if any, of Non-Purchasing Tenants, to purchase their Residential Units during a subsequent exclusive purchase period which occurs prior to the Effective Date. (See the Section of the Plan entitled "Obligations of Purchasers of Residential Units Occupied by Non-Purchasing Tenants" for details.)

The By-Laws of the Condominium do not include a provision that after the expiration of the Initial Control Period, a majority of the Members of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Therefore, Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Plan.

15. All legal costs, fees and expenses charged by Purchaser's attorney shall be the sole responsibility of such Purchaser. In addition, each Purchaser shall be responsible for payment of certain fees to Sponsor's attorneys. (See the Section of the Plan entitled "Closing Costs and Adjustments" for details.)

16. Purchasers should note that pursuant to existing laws and regulations, Sponsor may declare the Plan effective upon selling a minimum of 15% of the Residential 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 Residential Units with fewer than the minimum number of sales if Purchasers counted towards effectiveness do not ultimately purchase a Residential Unit. Purchasers should note that in the current real estate market, some banks and

other lenders are imposing various restrictions on loans. Such restrictions may include requiring that a certain percentage (such as 35% or 50% of the Residential Units of the Building) be sold before the lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulties obtaining a loan in a building where the percentage of the units purchased is lower than a lender's particular sales minimum. Even in a building undergoing conversion, lenders may still impose minimum sales requirements before granting a loan. It may then be difficult for Purchasers to resell Residential Units if prospective buyers are unable to obtain a loan due to such minimum sales requirements. (See the Section of the Plan entitled "Effective Date" for details.)

17. Until such time as Sponsor sells Residential Units having no less than 50% of the aggregate Common Interests of all Residential Units, Sponsor will endeavor in good faith to sell, in a reasonably timely manner, all vacant Residential Units to Purchasers for personal occupancy by themselves or their families rather than rent vacant Residential Units. However, if there is a decline in market conditions which prevents Sponsor from obtaining purchase prices which are not more than 10% below those set forth on Schedule A of the Plan for Non-Tenant-Purchasers at the time the Plan is declared effective, Sponsor reserves the right, to rent, rather than sell, vacant Unsold Residential Units, until such time as there is an upturn in the market and Sponsor is able to obtain such purchase prices. Sponsor will in good faith continue to engage in sales activities. After Sponsor sells Residential Units having more than 50% of the aggregate Common Interests of all Residential Units, Sponsor reserves the unconditional right to rent rather than sell Residential Units. Owner-occupants may not control the Condominium Board during the transition of the Building from rental status to a condominium, or ever. Notwithstanding the foregoing, Residential Unit Owners shall have effective control of the Condominium Board following the expiration of the Initial Control Period. The mortgage which will encumber the Unsold Residential Units as of the First Closing does not have any provisions which would prevent Sponsor from renting Unsold Residential Units.

Prospective Purchasers should be aware that they potentially may be living with non-purchasing occupants in many of the Residential Units for an indefinite period, depending upon market conditions. After the expiration of the Section 421-a tax exemption benefits (as described in the Section of the Plan entitled "Real Estate Tax Exemption Benefits"), in Sponsor's sole discretion, non-purchasing occupants (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same building services and use the Building's amenities (e.g., the fitness room or laundry room) as owner-occupants, however, they have no investment in their Residential Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities. 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.

18. The Department of Buildings has issued temporary Certificate of Occupancy No. 101823074-T-16 for the Building dated January 11, 2006. Sponsor will renew the temporary Certificate of Occupancy until a Permanent Certificate of Occupancy is obtained, and will undertake to obtain such Permanent Certificate of Occupancy prior to the First Closing, at Sponsor's sole cost and expense.

The temporary Certificate of Occupancy states that there are 151 residential apartments in the Building, although there are actually 148 residential apartments, due to the combination of apartments 6R and 6S into a single apartment, apartments 18A and 18B into a single apartment, and apartments PHC and PHD into a single apartment. Any purchaser who acquires Unit 6R/6S, Unit 18A/B or Unit PHC/D from Sponsor shall be required to comply with all applicable laws in connection with the combination of such Units and shall do so at such Purchaser's sole cost and expense.

19. Deposits for upgrades or extras ordered by Purchasers and agreed to by Sponsor will initially be placed in the Master Escrow Account. However, Purchasers should note that such funds may

be released from the Master Escrow Account by Escrow Agent to Sponsor so long as Sponsor uses the funds for such upgrades or extras. As a result, in the event Purchaser is entitled to rescind the Purchase Agreement, Purchaser will not receive a refund of any funds used for upgrades or extras. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

20. 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 requiring the consent of the Condominium Board, any Residential 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 of such Residential 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 Residential 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 as part of a newly created Residential Unit or designate all or part of a Residential Unit as a newly created Residential Unit or Residential Common Element, (d) incorporate and enclose Residential Limited Common Elements within a Residential Unit, (e) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their respective Common Interests and/or Residential Common Interests, and (f) make non-material changes in the size or quality of Common Elements. (See the Section of the Plan entitled "Changes in Prices and Units" for details.)

21. Each Purchaser shall be obligated to enter into a power of attorney at the Closing of Title to the Residential Unit. 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 Common Elements. The power of attorney also grants to Sponsor the right to amend the Declaration and to bring tax certiorari proceedings on behalf of all Unit Owners. (See the Power of Attorney set forth in Part II of the Plan.)

22. 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 ten (10) years lives or resides (even temporarily) in any Residential Unit. Each Residential Unit Owner shall install at such Residential 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. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for details.)

23. While Unsold Residential Units are being offered for sale or lease by Sponsor there may be a greater number of visitors to the Building 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 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 Building's or the Condominium's security systems and procedures, including, without limitation, those procedures with regard to visitors and any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor, 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 Condominium will prevent personal injury or damage to or loss of personal property. (See the Section of the Plan entitled "Description of Property" for details.)

24. (a) No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items, and if additional monies are required over and above the Reserve Fund, it

may be necessary to increase Common Charges or Residential Common Charges or levy a Special Assessment against the Unit Owners. The Reserve Fund may only be used for capital expenditures and replacements and may not be used to reduce Common Charges while Sponsor is in control of the Condominium Board. See the Section of the Plan entitled "Reserve Fund" for further details.

(b) Set forth in Part II of the Plan is a report on the inspection of the exterior façade of the Building pursuant to Local Law 11. The report concluded that there are no unsafe conditions, but that certain conditions were noted as safe with a repair and maintenance program recommendation ("Corrective Work"). Sponsor does not intend to perform the Corrective Work. Any such work shall be the obligation of the Condominium Board to perform. The engineer conducting the Local Law 11 inspection has estimated the cost of the Corrective Work to be approximately $30,000.

(c) In order to remediate the water seepage into portions of the cellar level, noted in the "Description of Property and Building Condition" in Part II of the Plan, the Sponsor will retain an engineer to develop specifications and a contractor to replace portions of the foundation drainage system. The estimated cost of such capital replacement is approximately $500,000, although the actual cost cannot be ascertained until bids are obtained from contractors. Sponsor intends to commence the aforementioned capital replacement prior to the Plan being declared effective and to take a credit against Sponsor's mandatory initial contribution to the Reserve Fund for the actual cost of such capital replacement, not to exceed 1% of the "Total Price" as defined in the Reserve Fund Law. See the Section of the Plan entitled "Reserve Fund" for further details.

25. The insurance coverage set forth in Footnote (10) of the Section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation" excludes coverage for mold, pollution, contamination, environmental and asbestos risks.

26. Purchasers who are presently in occupancy of a Residential Unit or who otherwise take possession of a Residential Unit prior to Closing pursuant to a Purchase Agreement and Interim Lease should undertake to obtain appropriate levels of insurance coverage for damages by fire or other casualty to the Residential Unit as a consequence of assuming the risk of loss. Purchasers should refer to the Section of the Plan entitled "Terms of Sale" and the section entitled "Damage to the Residential Unit" of the Purchase Agreement set forth in Part II of the Plan for details.

In addition, the following shall apply:

(a) If Purchaser is the existing tenant or occupant of the Residential Unit, or if Purchaser is given possession of the Residential Unit prior to Closing under an Interim Lease or otherwise, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Residential Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Residential Unit or its Installations. However, until Closing, Sponsor will remain responsible to make those repairs required of it as landlord under any existing lease or Interim Lease and, after Closing, the Condominium Board will be responsible to make those repairs required of it under the Declaration and By-Laws.

(b) If during Purchaser's occupancy, the Residential Unit is damaged by casualty or otherwise, then Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside the Residential Unit and did not result from the acts or omissions of Purchaser or other occupants of the Residential Unit or Purchaser's guests, invitees, agents or workers. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the balance of the purchase price and accepting delivery of the deed.

27. Lot line windows facing west exist in Unit 2J, 3V through 7V, 8H through 12H, 14D through PHD, and facing south in Units 2A through 5A, 3B through 5B, 3C through 5C, 3D through 5D,

3E through 7E, 3F through 7F, 6W, 6X and 14D through PHD. These windows are operable. In accordance with Law, sprinklers are provided at required locations. Lot line windows are windows located on an exterior wall abutting (or less than 30' 0" away from) a property line, where the adjacent property is owned by others. Lot line windows are considered amenities that potentially can be lost. Although Laws governing lot line windows may change in the future, Sponsor's architect has advised Sponsor that the lot line windows listed above will not need to be closed off in the event of construction on adjacent property except for the lot line windows facing south in Units 14D through PHD, which will need to be sealed off in the event of construction on adjacent property unless the Department of Buildings issues a reconsideration which would permit those windows to remain. If a lot line window located in a bedroom or living room in one of the above Units is sealed off, such closure will not affect the legal use of the room as a bedroom or living room, since the light and air calculations for those Units do not include the lot line windows. Neither Sponsor, Sponsor's architect, the Condominium Board or any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required. The cost to close up any lot line windows, if necessary, shall be borne by the affected Residential Unit Owner (including Sponsor with respect to Unsold Residential Units). (See "Description of Property and Building Condition" set forth in Part II of the Plan).

INTRODUCTION

Sponsor

Wellington Fee LLC ("Sponsor"), presents the Plan ("Plan") for the conversion to condominium ownership of the land and building and appurtenant interests in real estate known as and located at 350 East 82nd Street, New York, New York ("Property"). The condominium will be known as Wellington Tower Condominium and is sometimes referred to herein as the "Condominium." Sponsor acquired the Property on September 30, 2004 from Wellington Tower Associates, L.P., certain principals of which are principals of Sponsor. Wellington Tower Associates, L.P. acquired the Property in 1997 and completed construction of the Building in 1999.

Wellington Fee LLC is a Delaware limited liability company. The principals of Sponsor who will be actively involved in this offering are Aby Rosen and Michael Fuchs, both of whom are members of R & F 82nd Street LLC, the Administrative Manager of Sponsor. (See the sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principals" in Part II of the Plan for further details.)

The Condominium will consist of the following: (a) 148 Residential Units (including one Resident Manager's Unit), and (b) 1 Garage Unit, 1 Retail Unit, 1 Community Facility Unit and 1 Valet Unit (collectively, the "Commercial Units"). The Residential Units and the Commercial Units are sometimes collectively referred to as the "Units."

The Condominium Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the Residential Units located in the Condominium. Sponsor may amend or supplement the Plan from time to time by filing an amendment with the Department of Law of the State of New York ("Department of Law") and serving the amendment on Offerees, as the term "Offerees" is defined in the Regulations of the Department of Law.

The Plan is presented in two parts that, together with all documents filed with the Department of Law, constitute the entire offer of Sponsor. Part I sets forth a general description of the offering and the Condominium. Part II contains the basic documents that created the Condominium and otherwise effectuated the Plan. Also included in Part II is a detailed physical description of the Property and other certifications as to certain matters discussed in the Plan. In addition, Sponsor has filed with the Department of Law, Exhibits to the Plan which, along with the Plan, constitute the entire offer of Sponsor. All documents are important and should be read carefully by prospective Purchasers.

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

In accordance with Section 352-e(9) of the New York State General Business Law, copies of the Plan and all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the Plan shall be available for inspection by prospective Purchasers and their attorneys without charge and for copying at a reasonable charge by any person who shall have purchased a Residential Unit offered by the Plan at the office of Sponsor and Selling Agent and a copy of the Plan may be borrowed upon payment of a $200 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 a Purchase Agreement subsequently accepted by Sponsor. Copies of the Plan will be served upon all Tenant-Purchasers in accordance with the

GBL. All the documents referred to in the Plan are important. A prospective Purchaser should consult his or her own attorney or financial advisor before purchasing and provide him with a copy of the Plan.

The Condominium and the New York State Condominium Act

The Condominium will be organized pursuant to the New York State Condominium Act (New York Real Property Law, Article 9-B, Sections 339-d to 339-kk) by Sponsor's recording of a Declaration of Condominium Ownership in the New York County Office of the Register of the City of New York. From and after the recording of the Declaration, Sponsor will be the owner of each Unit until such time as such Unit is conveyed to a Purchaser thereof. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York. The Declaration and By-Laws of the Condominium are set forth in Part II of the Plan.

The Residential Units Offered for Sale

The Condominium will contain: Studio, 1, 2, 3, 4 and 5 bedroom Residential Units, ranging in size from studios starting at approximately 538 sq. feet to 5 bedrooms of up to approximately 2,882 sq. feet. Ceiling heights of the Residential Units range from approximately 8.0 feet to 10.6 feet, depending on the floor of the Building on which such Unit is located, except in certain areas containing soffits for mechanical equipment, conduits, pipes, etc. (See the Section of the Plan entitled "Description of Property and Improvements" for further details.)

Sponsor hereby offers 148 Residential Units for sale under the Plan. In addition, Residential Unit 11G is being sold by Sponsor to the Condominium to be used as the Resident Manager's Unit. The price for each of the Residential Units is listed in the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information" ("Schedule A"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

1. The Offer to Present Existing Tenants

(a) The Offer to Purchase Unit Occupied by Tenant

Tenant-Purchasers (defined in the Section of the Plan entitled "Rights of Existing Tenants"), have the exclusive right to purchase their respective Residential Units within 90 days from the Presentation Date of the Plan to them (the "Exclusive Purchase Period") at the discounted Purchase Prices set forth in Schedule A.

There will be no increase in Purchase Prices for Tenant-Purchasers during any exclusive purchase period for tenants and Sponsor will not accept Purchase Agreements from Non-Tenant Purchasers for occupied Units during any exclusive Purchase Period.

The Purchase Prices offered to Tenant-Purchasers to purchase their respective Residential Units during the Exclusive Purchase Period as set forth in Schedule A are 10% below the Purchase Prices offered to Non-Tenant-Purchasers.

In order to qualify for the foregoing benefits during the Exclusive Purchase Period, a Tenant-Purchaser must submit to the Selling Agent during the Exclusive Purchase Period, 4 fully completed, executed and unaltered original counterpart Purchase Agreements, a completed and executed original form W-9 and an unendorsed check for the Deposit in an amount equal to 5% of the Purchase Price for such Residential Unit (the "Deposit"). (See the Section of the Plan entitled "Procedure to Purchase" for further details.)

If prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant-Purchasers, a Tenant-Purchaser who executed and submitted a Purchase Agreement and Deposit for the Unit which the Tenant-Purchaser occupied on the Filing Date, before Sponsor amended the terms of the Plan, shall benefit from the more favorable terms and conditions.

(b) **The Offer to Purchase a Vacant Unit**

Bona Fide Tenants may purchase a vacant Residential Unit offered for sale by Sponsor ("Vacant Unit") on a "first come first served" basis during the initial Exclusive Purchase Period on the terms and conditions set forth below ("Vacant Unit Purchase Procedures"). Sponsor reserves the right, at Sponsor's sole and absolute discretion, to offer or withhold any Vacant Unit at any point in time, without prior notice or amendment to the Plan.

The Purchase Price for the Vacant Unit will be the price offered to Non-Tenant-Purchasers at the time the Purchase Package (as defined below) is acknowledged by the Selling Agent. In the event Sponsor increases the Non-Tenant Purchase Price for one or more Vacant Units by duly filed Amendment to the Plan, Sponsor will post a notice in the mailroom of the Building on the date of filing of each such Amendment, stating that copies of the Amendment are available at the sales office for inspection and copying. In addition, Sponsor will serve a copy of such Amendment on Bona Fide Tenants by mail.

Vacant Unit Purchase Procedures

(i) The Bona Fide Tenant must deliver to Selling Agent a "Purchase Package" consisting of 4 fully completed, executed and unaltered original Purchase Agreements, a completed and executed original form W-9 and an official bank check made payable to "Starr Associates LLP as Escrow Agent" in the amount of ten percent (10%) of the Purchase Price of the Vacant Unit, representing the Deposit.

(ii) The Purchase Package must be personally delivered by the Bona Fide Tenant to Selling Agent at the sales office in the Building (as of the Filing Date, located in Apartment 17C) during business hours and acknowledged in writing as received by Selling Agent. All Purchase Packages will be received on a first-come, first served basis. Subject to subparagraph (iii) below, Selling Agent will not acknowledge receipt of more than one Purchase Package for any Vacant Unit by Bona Fide Tenants.

(iii) In the event Sponsor or Selling Agent has accepted an offer from a Non-Tenant Purchaser for a Vacant Unit but an executed Purchase Agreement for such Vacant Unit has not yet been counter-signed by Sponsor, Selling Agent shall notify the Bona Fide Tenant who tendered the Purchase Package to Selling Agent for such Vacant Unit that the Bona Fide Tenant's Purchase Package will not be accepted by Sponsor.

(iv) A Bona Fide Tenant may purchase (1) both the Residential Unit such Bona Fide Tenant occupied on the Filing Date of the Plan ("Tenant's Unit") and one or more Vacant Units or (2) one or more Vacant Units in lieu of the Tenant's Unit. In the event the Bona Fide Tenant intends to occupy the Vacant Unit, the Bona Fide Tenant must vacate the Tenant's Unit within 3 months following the Closing of Title to the Vacant Unit. During such 3 month period, the Bona Fide Tenant must comply with all of Bona Fide Tenant's obligations under the lease for Tenant's Unit, including but not limited to payment of rent. Upon the expiration of such 3 month period, the lease for the Tenant's Unit will be terminated.

(v) Sponsor shall not be obligated to pay any brokerage or sales commission to any broker, except for Selling Agent, with respect to the sale of a Vacant Unit to a Bona Fide Tenant.

2. The Offer to Non-Tenant-Purchasers

Sponsor hereby offers for sale the Residential Units in the Building set forth in Schedule A to Non-Tenant-Purchasers (defined as Purchasers other than Tenant-Purchasers) on the following terms:

(i) They shall have opportunity to purchase a Vacant Unit at the prevailing "Purchase Price for Non-Tenant-Purchasers" as set forth on Schedule A, as it may be amended from time to time; and

(ii) They shall have the opportunity to purchase an occupied Residential Unit either following the Exclusive Purchase Period afforded Tenant-Purchasers or upon receipt of a written waiver by the Tenant-Purchaser of his right to purchase the Unit which such Tenant-Purchaser occupies during the Exclusive Purchase Period, at the "Purchase Price for Non-Tenant-Purchasers" as set forth on Schedule A, as it may be amended from time to time.

In order to qualify for the foregoing benefits, a Non-Tenant-Purchaser must submit to the Selling Agent 4 fully, completed executed and unaltered original counterpart Purchase Agreements, a completed and executed form W-9 and an official bank check for the Deposit in an amount equal to 10% of the Purchase Price for the Residential Unit to be purchased. (See the Section of the Plan entitled "Procedure to Purchase" for further details.)

Terms of Offer

The Residential Units and their appurtenant Common Elements are being sold "as is" to Tenant-Purchasers in the condition in which they exist on the Filing Date of the Plan, subject to ordinary wear and tear and further subject to Sponsor's obligations to maintain the Building until the First Closing and to make repairs, improvements or decorations as may be otherwise set forth in the Plan; and to Non-Tenant-Purchasers "as is" in the condition in which they exist on the Closing Date of such Unit.

All Deposits received by Sponsor directly or through its agents or employees will be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements."

A copy of the form of Purchase Agreement that will be used by Sponsor in connection with the sale of the Residential Units is set forth in Part II of the Plan. Sponsor reserves the right to revise the form of Purchase Agreement from time to time. All material and adverse changes in the Purchase Agreement will be by an amendment to the Plan.

No binding obligation shall arise for the sale of a Residential Unit unless and until a Purchase Agreement, executed by both the Purchaser and Sponsor, has been exchanged, and Sponsor has collected the Deposit (see the Section of the Plan entitled "Procedure to Purchase" for further details), except for a bona fide Tenant in occupancy who executes and delivers an unaltered Purchase Agreement and the Deposit to the Sponsor within the Exclusive Purchase Period for the Unit occupied by such Tenant. Sponsor has the right to reject any prospective Purchaser without cause or explanation, provided that such rejection is not based on sex, race, creed, color, national origin, marital status, ancestry, disability, or other grounds proscribed by Law.

For further details concerning the Closing of Title to the Residential Units, the costs and adjustments with respect thereto and the time periods which must elapse before closings may occur, see the sections of the Plan entitled "Effective Date," "Closing Costs and Adjustments" and "Terms of Sale."

Additionally, each Purchaser of a Residential Unit will be required to make a contribution to the Working Capital Fund. Such contribution, to be made at the time of Closing of the Residential Unit, shall be in an amount equal to two (2) month's Common Charges in effect at the time of closing for each Residential

Unit purchased. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details.)

Applicable Rent Laws

The Plan is a non-eviction plan and is being presented in compliance with the requirements of Section 352-eeee of the General Business Law (the "GBL") which sets forth the procedure for converting dwelling units to condominium ownership. Under the GBL, Sponsor may declare the Plan to be effective when Purchase Agreements have been executed for at least 15% of the Residential Units in the Building by Bona-Fide Tenants in occupancy on the Filing Date or bona-fide Purchasers who represent that they intend that they or one or more specified members of their immediate family will occupy the Residential Unit when it becomes vacant. A Non-Purchasing Tenant of a Residential Unit will not be evicted by reason of conversion of the Property to condominium ownership. As of the submission date of the preliminary Plan (or "red herring") to the Department of Law, all of the Residential Units in the Building being offered for sale under the Plan are subject to the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law and Code, the Rent Regulation Reform Act of 1997 ("RRRA") and the rent regulatory scheme or any codes, Residential Rules and Regulations promulgated thereunder (collectively the "Rent Laws").

All of the apartments in the Building are subject to the Rent Stabilization Law and the regulations promulgated pursuant thereto ("Rent Laws") solely by virtue of the Building's participation in the real estate tax benefits program under section 421-a of the Real Property Tax Law ("Section 421-a Benefits"). Pursuant to the section 421-a program, the apartments in the Building are subject to the Rent Laws until the expiration of the Section 421-a Benefits on June 30, 2011 ("Section 421-a Expiration Date") or upon the expiration of the applicable provisions of the Rent Laws, if sooner. A Non-Purchasing Tenant in occupancy of an apartment in the Building on the Section 421-a Expiration Date, whose lease expires after the Section 421-a Expiration Date, will be permitted by law to remain in the apartment until the expiration date of the lease then in effect, at the rent set forth therein. However, upon the expiration of such lease, in accordance with GBL Section 352-eeee (set forth in Part II of the Plan), any renewal lease offered to such tenant will no longer be subject to the Rent Laws. See the Sections of the Plan entitled "Rights of Existing Tenants" and "Real Estate Tax Exemption Benefits" for further information.

Please refer to the sections of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Residential Units Occupied by Non-Purchasing Tenants" for further details.

Sponsor's Reservation of Right to Rent Rather than Sell Units

Until such time as Sponsor sells Residential Units having no less than 50% of the aggregate Common Interests of all Residential Units, Sponsor will endeavor in good faith to sell, in a reasonably timely manner, all vacant Residential Units to Purchasers for personal occupancy by themselves or their families rather than rent vacant Residential Units. However, if there is a decline in market conditions which prevents Sponsor from obtaining purchase prices which are not more than 10% below those set forth on Schedule A of the Plan for Non-Tenant-Purchasers at the time the Plan is declared effective, Sponsor reserves the right, to rent, rather than sell, vacant Unsold Residential Units, until such time as there is an upturn in the market and Sponsor is able to obtain such purchase prices. Sponsor will in good faith continue to engage in sales activities. After Sponsor sells Residential Units having more than 50% of the aggregate Common Interests of all Residential Units, Sponsor reserves the unconditional right to rent rather than sell Residential Units. Notwithstanding the foregoing, Residential Unit Owners shall have effective control of the Condominium Board following the expiration of the Initial Control Period. The mortgage which will encumber the Unsold Residential Units as of the First Closing does not have any provisions which would prevent Sponsor from renting Unsold Residential Units.

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

Prospective Purchasers should be aware that they potentially may be living with non-purchasing occupants in many of the Residential Units for an indefinite period, depending upon market conditions. Because the Plan may be declared effective based on sales of 15% of the Residential Units to Existing Tenants or to bona fide Purchasers for their own occupancy, Purchasers may be living in a mixed rental/owner-occupied building for an indeterminate period of time. Owner-occupants may not control the Condominium Board during the transition of the Building from rental status to a condominium or ever. After the expiration of the Section 421-a tax exemption benefits (as described in the Section of the Plan entitled "Real Estate Tax Exemption Benefits"), in Sponsor's sole discretion, non-purchasing occupants (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same building services and use the Building's amenities (e.g., the fitness room or laundry room) as owner-occupants, however, Non-Purchasing Tenants and other rental tenants have no investment in their Residential Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities. In addition, the interests of owner-occupants, renters, non-occupant owners and the Sponsor may differ.

Basic Aspects of Condominium Ownership

The ownership of a Residential Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to his Unit and is entitled to exclusive possession of it. Each Unit is separately taxed for real estate tax purposes, just as a private home, and no Unit Owner incurs liability for his neighbors' failure to pay their taxes. A Unit Owner may mortgage his Unit, or not, as he deems fit, and in such amount as he chooses. No Unit is subject to the lien of any other Unit Owner's mortgage. Each Unit Owner is solely responsible for the cost of maintenance and interior repairs to his Unit and for maintaining casualty insurance with respect to the personal property within his Unit and liability insurance with respect to occurrences in or about the Unit.

In addition to his own Unit, a Residential Unit Owner also owns, in common with the owners of all other Residential Units in the Condominium, an undivided interest in and non-exclusive right to use (i) the General Common Elements of the Condominium, such as the land and structural elements of the Building; (ii) the Residential Common Elements such as the lobby, residential hallways, mailroom, fitness room, children's playroom, swimming pool and spa facilities; and (iii) those areas which a particular Residential Unit Owner has exclusive use of, such as the Terrace or balcony ("Terrace"), if any, immediately appurtenant to his Residential Unit, which are Residential Limited Common Elements. The type, size and quantity of plantings and other installations to be placed on Terraces and the rights of Residential Unit Owners to paint and decorate Terraces shall be subject to compliance with the Declaration, By-Laws, Residential Rules and Regulations and may be subject to prior written approval of the Condominium Board. (See the Section of the Plan entitled "Description of Property" and the Declaration and By-Laws set forth in Part II of the Plan for further details.)

In general, the costs and expenses of maintaining, repairing and replacing the General Common Elements are shared by all Unit Owners including the costs of the acquisition, operation and maintenance of the Resident Manager's Unit, and the costs and expenses of maintaining, repairing and replacing the Residential Common Elements are shared by all Residential Unit Owners in proportion to their respective percentage interest in the Common Expenses or Residential Common Expenses, as the case may be. While the costs and expenses of ordinary maintenance to the Terraces including the obligation to keep drains free and clear of snow, ice and debris are borne by the individual Residential Unit Owners, the costs and expenses of any structural, capital or extraordinary repairs or replacements to any Terrace (with the exception of certain specified elements on the Terrace) will be charged to all Residential Unit Owners as a Residential Common

Expense unless caused by the responsible Residential Unit Owner. With respect to the Resident Manager's Unit, the costs and expenses of maintenance, repair and replacement will be passed through and shared by all Unit Owners in accordance with Schedule B.

Schedule A includes the estimated Common Charges for each Unit for the first year of condominium operation as well as projections of each Unit's real estate tax obligation. Purchasers are obligated to pay monthly Common Charges pursuant to the New York Condominium Act (RPL Sections 339 (i) and (m)). In addition to the payments of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit Owner's Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may obtain, at such Purchaser's option.

The charges for electricity consumed by each Residential Unit Owner individually are separately metered and billed directly to such Residential Unit Owner by Con Edison or any successor utility company.

Pursuant to the Condominium Act, the Condominium Board assesses against the Residential Unit Owners, in proportion to their respective percentage interests in the Residential Common Expenses, charges for the operation, maintenance, repair and replacement of the Residential Common Elements as set forth on Schedule B, costs of the acquisition, operation and maintenance of the Resident Manager's Unit and for certain operating costs of the Property and for the costs of maintaining casualty and liability insurance with respect to the Common Elements, which are based on the allocation methodology set forth in Schedule B. The Common Elements may include a reserve for contingencies, replacements, and/or repairs in such amounts as the Condominium Board shall decide is in the best interests of the Condominium, subject to the terms of the Declaration and By-Laws. (See the sections of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation" and "Rights and Obligations of Unit Owners and the Condominium Board" for further details.)

While each Residential Unit is separately taxed and may be separately mortgaged, Sponsor makes no representations about the financeability of any Residential Unit. Residential Units shall only be used as residences all in accordance with the provisions of the By-Laws and local zoning ordinances. With certain exceptions for sales or leases by the Sponsor or Holders of Unsold Residential Units, any sale or lease of a Residential Unit will be subject to the right of the Condominium Board to acquire or lease or cause its designee to acquire or lease such Residential Unit, on behalf of the Condominium or such designee, without any restriction or limitation whatsoever.

Operation of the Condominium will be vested in the Condominium Board, the members of which will be elected by the Residential Unit Owners, subject to the rights of Sponsor and the Commercial Unit Owners to designate members of the Condominium Board, as set forth in the Section of the Plan entitled "Rights and Obligations of the Condominium Board and Summary of By-Laws." Each Unit Owner shall be entitled to vote for members of the Condominium Board; each Unit Owner being entitled to cast one vote for each .0001% of the Common Interest attributable to each Unit owned by him ("Votes") for each member to be elected. Unit Owners are obligated to comply with the Declaration, By-Laws, (and with respect to the Residential Unit Owners, with the Residential Rules and Regulations), as may be amended from time to time, and any other requirement of the Condominium Board. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board and Summary of By-Laws" for further details.)

Real Property Law – Section 339-kk

Set forth in Part II of the Plan is a copy of Section 339-kk of the Real Property Law of the State of New York, which provides, among other things, for the ability of the Condominium to serve a notice on any tenant occupying a Residential Unit to pay its rent directly to the Condominium if the Residential Unit Owner has failed to pay Common Charges, Special Assessments or late fees for such Residential Unit within 60 days after the expiration of any grace period.

Income Taxes

In the opinion of Olshan Grundman Frome Rosenzweig & Wolosky LLP, having an office at 60 East 55th Street, New York, New York 10022, special tax counsel to Sponsor, under present income tax laws, certain Residential Unit Owners who are U.S. citizens or permanent residents of the United States and who itemize their deductions may deduct from income for income tax purposes the real estate taxes paid in connection with an owned Residential Unit, and any other interest paid to a lender with respect to a mortgage on such Residential Unit, provided the Residential Unit Owner uses the Residential Unit as his principal residence or a secondary residence and the mortgage indebtedness does not exceed the Residential Unit Owner's cost of the residence plus the cost of any improvements thereto. Purchasers are advised to consult with their own tax counsel regarding the availability or non-availability of such deduction on a case-by-case basis. A copy of the opinion referred to herein is set forth in the Section of the Plan entitled "Opinions of Counsel."

Certain Improvements and Replacements

In connection with the conversion of the Building to its new status as a condominium, Sponsor may undertake a program of cosmetic improvements and capital replacements. For details concerning the above, see the Section of the Plan entitled "Rights and Obligations of Sponsor" under the subsection "Sponsor's Undertaking With Respect to Certain Improvements and Replacements to the Common Elements."

General

Under the Condominium Act, a Unit may be owned by an individual, a corporation, a partnership, an association, or a trust and used for any legal purpose, subject to the provisions of the Declaration, By-Laws and any and all Residential Rules and Regulations promulgated thereunder. Sponsor will not accept an offer of purchase from an individual younger than 18 years old or an incompetent under Law.

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

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:

"Adverse effect," or "adversely affect," refers to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Unit Owners over those set forth in the latest budget by 25% or more, (ii) materially interfere with such Unit Owner's access to its Unit, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit (except with respect to lot line windows) or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit.

"Bona-Fide Tenant" refers to (a) a bona-fide tenant in occupancy on the Filing Date; (b) a bona-fide tenant with the right to renew a lease on the Filing Date; (c) a bona-fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona-fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Residential Unit or the Residential Unit is not the tenant's primary residence; and (e) a bona-fide sublessee in occupancy on the Filing Date, if such sublessee subleases from a non-bona-fide tenant, or has obtained written permission to purchase the Residential Unit from the bona-fide tenant of record.

"Board of Managers" or "Condominium Board" refers to the governing body of the Condominium which conducts the affairs and supervises the operations of the Condominium.

"Building" refers to the structure and improvements of the building located at 350 East 82nd Street, New York, New York 10028.

"Buildings Department" refers to the office of the New York City Department of Buildings or any successor agency.

"By-Laws" refers to the By-Laws governing the operations of the Condominium appended to the Declaration as the same may be amended from time to time, which is set forth in Part II of the Plan.

"Closing" or "Closing of Title" refers to the date, time, place and procedure by which, among other things, fee title to a Unit and its appurtenant Common Interest is conveyed pursuant to a fully-executed Purchase Agreement.

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

"Commercial Units" refers to the Garage Unit, Retail Unit, Community Facility Unit and Valet Unit, collectively, (and more particularly described in Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans) and such other Commercial Units which may be created as a result of subdivision or combination of one or more of such Units, each one being a "Commercial Unit." These Units are not offered for sale in this Plan.

"Commercial Unit Owner" refers to any Unit Owner of a Commercial Unit at the time in question. Multiple Owners of Commercial Units are referred to together as "Commercial Unit Owners."

"Common Charges" refers to the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with Schedule B allocations and as provided in the Declaration or in the By-Laws.

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

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

"Common Interest" refers to the proportionate, undivided interest in fee simple absolute, expressed as a numerical percentage, in the Common Elements, appurtenant to each Unit. The aggregate Common Interest for all Units is 100%. The Common Interest attributable to each Unit is set forth on Schedule A to the Plan and Exhibit B to the Declaration.

"Community Facility Unit" refers to the Community Facility Unit located on portions of the first and second floors of the Building (and more particularly described in Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans) and such other Community Facility Units which may be created as a result of subdivisions or subsequent combination of such Unit(s).

"Community Facility Unit Owner" refers to any Unit Owner of a Community Facility Unit at the time in question. Multiple Owners of Community Facility Units are referred to together as "Community Facility Unit Owners."

"Condominium" refers to the Property which is the subject of the Declaration and which is known as the Wellington Tower Condominium.

"Condominium Act" refers to the New York Condominium Act, as same may be amended from time to time (New York Real Property Law, Article 9-B).

"Condominium Board" or "Board of Managers" refers to the governing body of the Condominium which conducts the affairs and supervises the operation of the Condominium.

"Condominium Documents" refers to the Declaration, the By-Laws and the Residential Rules and Regulations.

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

"Department of Law" refers to the Investment Protection Bureau of the Department of Law of the State of New York.

"Deposit" refers to all Deposits, advances and payments made by a Purchaser prior to the Closing of a Residential Unit.

"Exclusive Purchase Period" refers to the exclusive 90 day period from the Presentation Date of the Plan within which a Bona-Fide Tenant shall have the exclusive right to purchase the Residential Unit such Bona-Fide Tenant occupies on the Filing Date, at the Purchase Prices set forth on Schedule A.

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

"Family Members" refers to the spouse, domestic partner, children, stepchildren, grandchildren, siblings, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Residential Unit Owner who reside in such Residential Unit Owner's Residential Unit.

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

"First Closing" refers to the Closing of Title with respect to the first Residential Unit in the Condominium to be conveyed to a Purchaser.

"First Year's Budget" refers to the Section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation."

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

"Force Majeure" refers to unavoidable delays due to weather, floods, epidemics, quarantine, restrictions, strikes, lockouts, acts of God, acts of terrorism, freight embargoes, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which Sponsor does not have control, however for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond reasonable control.

"Garage Unit" refers to the Garage Unit located on portions of the cellar and first floors of the Building (and more particularly described in Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans) and such other Garage Units which may be created as a result of subdivision or subsequent combination of such Unit(s).

"Garage Unit Owner" refers to any Unit Owner of a Garage Unit at the time in question. Multiple Owners of Garage Units are referred to together as "Garage Unit Owners."

"GBL" refers to Section 352-eeee of the New York State General Business Law.

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

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

"Holder of Unsold Residential Unit" refers to the Sponsor and its designees who acquire an Unsold Residential Unit other than for its own occupancy or for the occupancy by a person related by blood, marriage or adoption to the Holder of Unsold Residential Unit.

"Initial Control Period" refers to the period ending on the earlier to occur of (i) the Closing of Title with Purchasers under the Plan to Residential Units having at least 50% of the aggregate Common Interest appertaining to all Units or (ii) 5 years after the First Closing.

"Institutional Lender" refers to (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust, or a group of lenders which shall

include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) Sponsor.

"Land" refers to the Property, excluding the Building.

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

"Majority of Commercial Unit Owners" refers to those Commercial Unit Owners having more than 50% of the total authorized votes of all Commercial Unit Owners (determined in accordance with the terms of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

"Majority of Residential Unit Owners" refers to those Residential Unit Owners having more than 50% of the total authorized votes of all Residential Unit Owners (determined in accordance with the terms of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Residential Unit Owners at which a quorum is present.

"Majority of Unit Owners" refers to those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

"Managing Agent" refers to the management company or entity of the Building which manages the Property on behalf of the Condominium at the time in question.

"Non-Purchasing Tenant" refers to a person who has not purchased a Residential Unit under the Offering Plan and who was a tenant entitled to possession at the time the Offering Plan was declared effective. A person who sublets a Residential Unit from a Purchaser under the Offering Plan is not deemed a Non-Purchasing Tenant.

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

"Offering Plan" or "Plan" refers to that certain condominium offering plan relating to the Property, as accepted for filing by the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York and any amendments thereto.

"Permanent Certificate of Occupancy" refers to the permanent certificate of occupancy issued by the Buildings Department for the Building.

"Permitted Encumbrances" refers to those title encumbrances more particularly described on Schedule A to the form of Purchase Agreement and standard printed exceptions contained in the form of title insurance policy promulgated by the New York Board of Title Underwriters or the American Land Title Association, whichever shall be applicable.

"Permitted User" refers to any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or the Common Elements,

subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

"Person" refers to any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

"Presentation Date" refers to the date on which the Offering Plan or an amendment thereto, as the case may be, is personally delivered or the fifth day after mailing following the acceptance of the Offering Plan or an amendment thereto, for filing by the Department of Law.

"Property" refers to the Land and Building and other improvements erected or to be erected on the Land, all easements, rights and all appurtenances thereto.

"Purchase Agreement" refers to that contract of purchase and sale for a Residential Unit, the form of which is set forth in Part II of the Plan.

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

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

"Rent Laws" refers to, collectively, (i) the Emergency Tenant Protection Act of 1974, (ii) the New York City Rent Stabilization Law and the Code adopted pursuant thereto, (iii) the Rent Regulation Reform Act of 1997; and (iv) any codes, rules or regulations promulgated thereunder and any administration and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property.

"Resident Manager's Unit" refers to the Unit designated as the Resident Manager's Unit in the Declaration which Unit is more particularly described in Schedule A to the Plan and in Article 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans.

"Residential Common Charges" refers to the Common Charges allocated and assessed by the Condominium Board to the Residential Unit Owners, pro-rata, in accordance with their respective Residential Common Interests to meet the Residential Common Expenses.

"Residential Common Elements" refers to those portions of the Common Elements either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Residential Units, as more particularly described in the Declaration and the Floor Plans.

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

"Residential Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for such Residential Unit Owner's share of the Residential Common Expenses.

"Residential Limited Common Elements" refers to a Common Element appurtenant to a Residential Unit or Residential Units, the use and enjoyment of which is restricted to the Owners of such Residential Unit or Residential Units to the exclusion of all other Residential Unit Owners (e.g. Terraces). The respective responsibilities of such Residential Unit Owners and the Condominium Board for repair and maintenance of Residential Limited Common Elements are set forth in the Declaration and By-Laws.

"Residential Unit" refers to any of the Residential Units, as such term is defined in Condominium Act, located in the Building, which Residential Units are more particularly described on Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans. All such Units are, collectively, referred to as the "Residential Units."

"Residential Unit Owner" refers to the Person (including Sponsor, if Sponsor owns any Unsold Residential Unit) who holds fee title to one or more Residential Units at the time in question. All such owners are, collectively, referred to as "Residential Unit Owners."

"Residential Rules and Regulations" refers to the Residential Rules and Regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws, it being agreed that the Residential Rules and Regulations shall apply only to Residential Unit Owners and their Permitted Users.

"Retail Unit" refers to the Retail Unit located on a portion of the cellar and first floor of the Building (and more particularly described in Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans) and such other Retail Units which may be created as a recruit of subdivision or subsequent combination of such Unit(s).

"Retail Unit Owner" refers to any Unit Owner of a Retail Unit at the time in question. Multiple Owners of Retail Units are referred to together as "Retail Unit Owners."

"Schedule A" refers to the schedule set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

"Schedule B" refers to the schedule set forth in the Section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation."

"Selling Agent" refers to Classic Marketing LLC, a New York limited liability company having an office at 230 East 73rd Street, New York, New York 10021, or any successor Selling Agent at the time in question.

"Special Assessment" refers to the charges allocated and assessed by the Condominium Board to all Unit Owners or to the Residential Unit Owners only, pro-rata in accordance with their respective percentage interest in the Common Expenses or their respective percentage interest in the Residential Common Elements, as the case may be, (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" refers to Wellington Fee LLC, a Delaware limited liability company, and its successors and assigns as well as any other Person designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan.

"Tenant-Purchaser" refers to a Bona-Fide Tenant who purchases the Residential Unit which such tenant occupied on the Filing Date of the Plan.

"Terrace" refers to a terrace or balcony appurtenant to a Residential Unit, which are Residential Limited Common Elements.

"Title Company" refers to Commonwealth Land Title Insurance Company, having an office at Two Grand Central Tower, 140 East 45th Street, 22nd Floor, New York, New York 10017; phone: (212) 949-0100; Fax: (212) 697-5644 or Counsel Abstract, having an office at 400 Park Avenue, 3rd Floor, New York, New York 10022; phone: (212) 355-2460; Fax: (212) 697-5644.

"Unit" refers to any of the "Units," as such term is defined in Condominium Act, located in the Building, which Units are more particularly described on Schedule A and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans.

"Unit Owner" refers to any Person (including Sponsor, if Sponsor owns any Unsold Residential Unit) who holds fee title to one or more Units at the time in question. All such owners are collectively referred to as "Unit Owners".

"Unsold Residential Unit" refers to any Residential Unit owned or retained by Sponsor (or Sponsor's designee as a fee owner, tenant, subtenant or party responsible for the management and financial obligations with respect to such Residential Unit) which may or may not be offered pursuant to the Plan and to any Residential Unit for which there is a signed Purchase Agreement but for which a Closing has not yet occurred.

"Unsold Residential Unit Owner" refers to Sponsor or a principal of Sponsor and (if applicable) a person designated by Sponsor.

"Valet Unit" refers to the Valet Unit located on a portion of the first floor of the Building (and more particularly described in Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans) and such other Valet Units which may be created as a result of subdivisions or subsequent combination of such Unit(s).

"Valet Unit Owner" refers to any Unit Owner of a Valet Unit at the time in question. Multiple Owners of Valet Units are referred to together as "Valet Unit Owners."

All other capitalized terms used in Part I of the Plan 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

Units

Subject to the rights of Sponsor to change the number of Units, there will be a total of 148 Residential Units, which are situated on the second floor through the 19th Floor (or penthouse level) of the Building (there is no designated 13th floor) and 4 Commercial Units located on portions of the cellar, first and second floors of the Building. Descriptions of the Commercial Units are set forth in the Section of the Plan entitled "Commercial Units" and descriptions of the Residential and Commercial Units are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Sections of the Plan entitled "Changes in Prices and Units" and "Schedule A - Prices of Units and Related Information" for further details.

The Residential Units and their appurtenant Common Elements are being offered and sold (a) to Tenant-Purchasers "as is" in the condition in which they exist on the Filing Date of the Plan, subject to ordinary wear and tear and further subject to Sponsor's obligations to maintain the Building until the First Closing and to make repairs, improvements or decorations as may be otherwise set forth in the Plan; and (b) to Non-Tenant-Purchasers in "as is" in the condition in which they exist on the Closing Date of such Units.

Sponsor reserves the right, without prior notice or amendment to the Plan, and without payment of rent or other charge, to use Unsold Residential Units or Commercial Units on any floor of the Building as sales, leasing or management offices and model apartments for the Building and any other Building in which principals of the Sponsor have an interest. In the event Sponsor, thereafter, elects to sell such Unsold Units, Sponsor 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 Unit, such amounts as Sponsor determines. Sponsor further reserves the right to utilize certain rooms on the seventh floor of the Building currently designated on the Floor Plans as the business center and the cinema room for sales, leasing or management purposes and model apartments for the Building and any other Building in which principals of the Sponsor have an interest, at no charge to Sponsor.

A Residential Unit Owner may only use such Residential Unit Owner's Residential Unit for a residence in accordance with the provisions of the By-Laws and the Certificate of Occupancy as they may be amended from time to time.

Apartments 6R and 6S, apartments 18A and 18B and apartments PHC and PHD have been physically combined but are listed as separate apartments on the Building's temporary Certificate of Occupancy. Any purchaser who acquires Unit 6R/6S, Unit 18A/B or Unit PHC/D from Sponsor shall be required to comply with all applicable laws in connection with the combination of such Units and shall do so at such Purchaser's sole cost and expense.

Resident Manager's Unit

At or subsequent to the First Closing, Sponsor will sell Residential Unit 11G ("Resident Manager's Unit") to the Condominium, to be used by the Resident Manager. The Condominium (on behalf of the Unit Owners) shall be responsible for the payment of all costs of Closing, including but not limited to, mortgage recording and transfer taxes due in connection with the sale of the Resident Manager's Unit. All costs and expenses, including the costs of utilities and the costs of financing the purchase of the Resident Manager's Unit, real estate taxes and the costs of repairs, alterations and improvements undertaken by the Condominium Board attributable to the Resident Manager's Unit, shall be borne by all the Unit Owners as a Common Expense. The Purchase Price of the Resident Manager's Unit is $1,140,000. At the Closing of Title to the Resident Manager's Unit, the Condominium, on behalf of all Unit Owners, will pay the Purchase Price by

executing and delivering to Sponsor one or more purchase money note(s) in the aggregate amount of $1,140,000 secured by one or more mortgage(s) on the Resident Manager's Unit. The purchase money note(s) will bear interest at the then prevailing rate (currently projected at 7%) and will provide for the payment of equal installments of monthly interest and require a balloon payment of principal on the maturity date, the 5th anniversary. Sponsor does not intend to refinance or extend the purchase money note and purchase money mortgage at maturity. Purchasers are advised that refinancing by another lender may not be available and that the Condominium, in order to repay the purchase money note, may be required to assess all Unit Owners in proportion to their respective Common Interests. At Sponsor's option, the note(s) and mortgage(s) will be assigned to an Institutional Lender. All closing costs, without exception, including but not limited to, origination and application fees, recording fees, mortgage recording taxes, mortgage and fee title insurance, legal fees and transfer taxes due in connection with the transfer and mortgage of the Resident Manager's Unit (estimated to be approximately $65,000) will be paid from the Working Capital Fund. In the event that the Working Capital Fund is not sufficient to pay these closing costs, Sponsor will advance the funds necessary on behalf of the Condominium in exchange for an interest-free promissory note in favor of Sponsor secured by the Working Capital Fund in the amount of the funds so advanced ("Resident Manager's Unit Advance"), providing for repayments of principal only from the Working Capital Fund.

In the event the Condominium defaults under the note(s) and mortgage(s), the mortgage holder may foreclose on the Resident Manager's Unit and if the proceeds from sale of the Resident Manager's Unit are insufficient to satisfy the outstanding mortgage balance and other fees incurred, the Unit Owners could be liable for the deficiency. In the event of a foreclosure, the Condominium will be without a Resident Manager's Unit and alternate arrangements will be necessary to shelter the Resident Manager in the Condominium or within such distance of the Condominium as is required by Law.

Sponsor reserves the right, in its sole discretion, to choose a Residential Unit other than Residential Unit 11G as the Resident Manager's Unit; provided, however, that such election shall only be made pursuant to an amendment to the Plan and shall not result in the Condominium incurring financing charges, real estate taxes and maintenance costs for such Unit, the sum of which exceed the costs of owning the Residential Unit 11G, as set forth in Schedule B, by more than 25%.

Sponsor further reserves the right to not to sell the Resident Manager's Unit for a period of up to two (2) years during which period Sponsor will rent the Unit occupied by the Resident Manager to the Condominium. From the date of the First Closing until the transfer of title of the Resident Manager's Unit, the Condominium (on behalf of all Unit Owners) shall pay to Sponsor, rent in an amount equal to the sum of the following: (a) principal and interest which would have been due on the Purchase Money Note, had same been executed by the Condominium, (b) real estate taxes assessed against the Unit occupied by the Resident Manager, and (c) all other costs associated with the maintenance of the Unit occupied by the Resident Manager as set forth in Schedule B. In the event Sponsor exercises the right to rent the Resident Manager's Unit to the Condominium (on behalf of all Unit Owners), the rental payments will not be credited against the purchase price.

(See the Section of the Plan entitled "Schedule B-Projected Budget for First Year of Condominium Operation" for a further discussion of the costs involved in maintaining the Resident Manager's Unit.)

Common Elements

The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, these Common Elements being more specifically designated as "General Common Elements," (ii) portions of the Property serving and benefiting the Residential Units, exclusively, these Common Elements being more specifically designated as "Residential Common Elements," and (iii) portions of the Property serving and benefiting certain Residential Units, exclusively, these Common Elements being more specifically designated as "Residential Limited Common Elements."

General Common Elements

The General Common Elements include, among other things, the following (all to the extent they are utilized or service both the Commercial Units and the Residential Units and are not Residential Common Elements or Residential Limited Common Elements or Units): (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings, 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) certain corridors and all fire staircases, landings and stairs; (d) certain shared service rooms, meter rooms, electrical rooms, gas meter room, pump room, water tank room, sprinkler equipment room; telephone room, boiler room, Resident Manager's Office, building storage and supply room, staff locker rooms; (e) exterior illumination fixtures (except those servicing Commercial Units only); (f) passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces which service both Residential Units and Commercial Units; and (g) the roofs over the Building except Terraces.

Residential Common Elements

The Residential Common Elements, include, among other things, the following (all to the extent that they are utilized or service only the Residential Units and are not Residential Limited Common Elements or Units): (a) residential hallways, stairs, corridors, lobby, mail room, package room, laundry room; (b) passenger and service elevators, (c) trash compactor room; (d) swimming pool, steam room, sauna, locker area, fitness room, children's playroom, cinema room, and business center; (e) elevator room, elevator pits and elevator mechanicals, exhaust and fan room; (f) cellar storage rooms; (g) fire safety systems servicing the Residential Units; and (h) 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 the Residential Units. A detailed description of the General Common Elements and Residential Common Elements is set forth in the Declaration.

Residential Limited Common Elements

The Residential Limited Common Elements include those portions of the Building available for the exclusive use of a particular Residential Unit or Residential Unit Owner. Terraces appurtenant to certain Residential Units as identified on Schedule A and on Exhibit B to the Declaration are the only Residential Limited Common Elements.

A Residential Unit Owner who has a Terrace appurtenant to such Residential Unit Owner's Residential Unit shall have the exclusive use of same and shall be responsible for all normal maintenance thereto, including, but not limited to, keeping drains free of debris, snow and ice, replacing lightbulbs and maintaining, replacing and repairing light fixtures, electrical outlets and water spigots. The costs and expenses of any extraordinary maintenance, structural repairs or replacement of any Terraces or appurtenances thereto (including the trellis) shall be performed by the Condominium and shall be charged to all Residential Unit Owners as a Residential Common Expense (unless caused by the Residential Unit Owner having exclusive access thereto).

A Residential Unit Owner who has a Terrace may not remove, replace, alter or modify the Terrace or any appurtenances thereto, including the trellis.

The Condominium Board shall have the right to require a Residential Unit Owner to remove plantings and other installations which are placed on the Terraces if the Condominium Board determines, in its reasonable discretion, that such plantings or other installations adversely affect the integrity of the Terrace or impede necessary access or are otherwise in violation of any Law. Further, the Condominium Board may establish such other Residential Rules and Regulations it deems necessary to protect the Common Elements

and the Residential Units and to insure the integrity of the Building and the health and safety of the occupants.

Services and Facilities

The Building will be maintained, operated and staffed in a manner to be determined by the Condominium Board. Prospective Purchasers are urged to carefully review Schedule B in Part I of the Plan and the Description of Property set forth in Part II of the Plan, for a description of the services presently being provided. Sponsor makes no representation that the aforesaid services will continue to be provided. Notwithstanding the foregoing, however, the Condominium Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Laws and any rights of Non-Purchasing Tenants under the GBL. Except as otherwise consented to in writing by Sponsor, the Condominium Board shall operate the Property at the same level of services as those supplied on the date of recording the Declaration in accordance with the Rent Laws, except for those services, if any, that are the obligation of Sponsor to provide under the terms of the Declaration or the Plan. The Condominium Board shall not impose any charge or fee against the tenants or occupants of the Residential Units owned by Sponsor or against Sponsor on account of any services provided to such tenants and occupants unless Sponsor is entitled and thereafter permitted by the Rent Laws to impose such charge or fee against such tenants or occupants. Such permitted charge or fee may be increased by the Condominium Board, but only to the extent Sponsor or the owner of the occupied Residential Units would be entitled and thereafter permitted to charge its tenants such increased charges or fees under the Rent Laws. If, as the result of the aforesaid limitations on the Condominium Board, the amount of such charges or fees collected is insufficient to cover the cost of providing such service(s), then such additional cost will be included in Residential Common Charges and borne by all Residential Unit Owners based on their respective percentage interest in the Residential Common Expenses.

Except as otherwise noted above, and except as otherwise required under the Rent Laws, all determinations with respect to the continuance of services and Facilities for the Building will be made by the Condominium Board, which, until the expiration of the Initial Control Period, will be controlled by Sponsor (see the Section of the Plan entitled "Control by Sponsor").

Neither Sponsor, the Selling Agent, the Managing Agent, nor the Condominium Board will in any event be liable for the interruption, discontinuance or quality of any of the foregoing services, including, but not limited to, any services provided by any outside company or person, 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, including Building personnel or otherwise.

LOCATION AND AREA INFORMATION

Location

The Property is situated at 350 East 82nd Street on the corner of First Avenue in the heart of Manhattan's Upper East Side, one of the finest and most desirable neighborhoods in New York City.

Surrounding Area, Shopping, Museums and Theatre

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

Near the Building there are, in addition to similar luxury residences, Central Park, museums, art galleries, schools, churches, banks and a preeminent collection of the world's finest retail establishments. Shopping on world-famous Madison Avenue is in close proximity to the Building. Fine restaurants and gourmet stores are located in close proximity to the Building.

Among the nearby museums are The Metropolitan Museum of Art, Whitney Museum of American Art, Frick Collection, Guggenheim Museum, Museum of Modern Art, The Asia Society, Museum of Natural History and Museum of American Folk Art. Lincoln Center for the Performing Arts (which includes the New York State Theater, the Metropolitan Opera house, Avery Fisher Hall and Vivian Beaumont Theater), Carnegie Hall and the Broadway theater district, which are the focal points of the musical life of the City, are also nearby. No representation is or can be made with respect to the continued operation of the surrounding area shopping, theatre or museum attractions.

Transportation

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

Transportation to and from the Building, and through New York City, is available by taxi and limousine services. Public transportation is also readily available. Public buses run regularly up First and Third Avenues and down Second and Lexington Avenues. The number 6 local subway line stops at 77th Street and Lexington Avenue and 86th Street and Lexington Avenue and the number 4 and number 5 express subway lines stop at 86th Street and Lexington Avenue and provide both uptown and downtown service. In addition to the parking garage in the Building, a number of commercial parking garages are located nearby.

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

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The nearest police precinct headquarters is currently the 19th precinct located on 67th Street between Lexington and Third Avenues. Fire protection is currently provided from Engine 22 Ladder 13 situated on 85th Street between Third and Lexington Avenues.

Medical, Educational and Religious Facilities

A number of excellent medical centers, such as New York Hospital, Cornell Medical Center, Memorial Sloan Kettering, Lenox Hill Hospital, New York University Medical Center, Mt. Sinai Medical Center and New York Presbyterian-Columbia University Medical Center, are readily accessible.

Numerous private schools, public schools and parochial schools on the elementary, middle school and high school levels are located within walking distance of the Building. Nearby colleges include Hunter College, Columbia University, Rockefeller University, Fordham University and New York University.

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

Zoning

The Property is zoned C1-9, R8-B.

SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A

WELLINGTON TOWER CONDOMINIUM
350 EAST 82ND STREET
NEW YORK, NEW YORK 10028

PURCHASE PRICES AND RELATED INFORMATION
PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION - JULY 1, 2006 TO JUNE 30, 2007

UNIT	STATUS	(1) NUMBER OF BEDROOMS	(1) NUMBER OF BATHS	(2) APPROX SQ FT UNIT	(2) APPROX SQ FT TERRACE	(3) PERCENTAGE OF COMMON INTEREST	(4) PURCHASE PRICE FOR TENANT PURCHASERS	(4) PURCHASE PRICE FOR NON-TENANT PURCHASERS	(3) % INTEREST IN THE COMMON EXPENSES	(3) RESIDENTIAL COMMON INTEREST	(5) PROJECTED COMMON CHARGES MONTHLY	(5) PROJECTED COMMON CHARGES ANNUAL	(6) PROJECTED REAL ESTATE TAXES MONTHLY	(6) PROJECTED REAL ESTATE TAXES ANNUAL	(7) PROJECTED TOTAL CARRYING CHARGES MONTHLY	(7) PROJECTED TOTAL CARRYING CHARGES ANNUAL
2 A		1.0	1.0	722		0.3931%	$585,000	$650,000	0.3955%	0.5112%	$649.83	$7,797.90	$426.01	$5,112.12	$1,075.84	$12,910.02
3 A		2.0	2.0	1,035		0.5635%	$864,000	$960,000	0.5670%	0.7328%	$931.55	$11,178.53	$610.68	$7,328.11	$1,542.23	$18,506.64
4 A		2.0	2.0	1,035		0.5635%	$868,500	$965,000	0.5670%	0.7328%	$931.55	$11,178.53	$610.68	$7,328.11	$1,542.23	$18,506.64
5 A	V	2.0	2.0	1,035		0.5635%	$873,000	$970,000	0.5670%	0.7328%	$931.55	$11,178.53	$610.68	$7,328.11	$1,542.23	$18,506.64
8 A		3.0	3.0	1,646		0.8962%	$1,534,500	$1,705,000	0.9018%	1.1654%	$1,481.46	$17,777.49	$971.23	$11,654.75	$2,452.69	$29,432.24
9 A	V	3.0	3.0	1,646		0.8962%	$1,548,000	$1,720,000	0.9018%	1.1654%	$1,481.46	$17,777.49	$971.23	$11,654.75	$2,452.69	$29,432.24
10 A		3.0	3.0	1,646		0.8962%	$1,561,500	$1,735,000	0.9018%	1.1654%	$1,481.46	$17,777.49	$971.23	$11,654.75	$2,452.69	$29,432.24
11 A		3.0	3.0	1,646		0.8962%	$1,575,000	$1,750,000	0.9018%	1.1654%	$1,481.46	$17,777.49	$971.23	$11,654.75	$2,452.69	$29,432.24
12 A		3.0	3.0	1,646		0.8962%	$1,588,500	$1,765,000	0.9018%	1.1654%	$1,481.46	$17,777.49	$971.23	$11,654.75	$2,452.69	$29,432.24
14 A		5.0	3.5	FP,T 2,882	1,575	2.4296%	$4,140,000	$4,600,000	2.4419%	3.1558%	$4,011.48	$48,137.74	$2,633.00	$31,596.03	$6,644.48	$79,733.77
15 A		3.0	3.0	FP 1,608		0.8755%	$1,660,500	$1,845,000	0.8810%	1.1385%	$1,447.27	$17,367.18	$948.80	$11,385.55	$2,396.07	$28,752.73
16 A	V	3.0	3.0	FP 1,593		0.8674%	$1,669,500	$1,855,000	0.8727%	1.1279%	$1,433.77	$17,205.18	$940.02	$11,280.21	$2,373.79	$28,485.39
17 A	V	3.0	3.0	FP 1,593		0.8674%	$1,678,500	$1,865,000	0.8727%	1.1279%	$1,433.77	$17,205.18	$940.02	$11,280.21	$2,373.79	$28,485.39
18 AB (1)		4.0	3.0	2FP 2,012		1.0955%	$2,340,000	$2,600,000	1.1033%	1.4246%	$1,810.86	$21,730.59	$1,187.21	$14,246.57	$2,998.07	$35,977.16
PH A		2.0	2.0	FP 1,277		0.6953%	$1,399,500	$1,555,000	0.6996%	0.9041%	$1,149.36	$13,792.22	$753.51	$9,042.12	$1,902.87	$22,834.34
2 B		1.0	1.0	750		0.4083%	$607,500	$675,000	0.4109%	0.5310%	$675.04	$8,100.37	$442.48	$5,309.79	$1,117.52	$13,410.16
3 B		1.0	1.0	712		0.3876%	$607,500	$675,000	0.3900%	0.5041%	$640.83	$7,689.89	$420.05	$5,040.60	$1,060.88	$12,730.49
4 B		1.0	1.0	712		0.3876%	$612,000	$680,000	0.3900%	0.5041%	$640.83	$7,689.89	$420.05	$5,040.60	$1,060.88	$12,730.49
5 B	V	1.0	1.0	712		0.3876%	$616,500	$685,000	0.3900%	0.5041%	$640.83	$7,689.89	$420.05	$5,040.60	$1,060.88	$12,730.49
8 B		1.0	1.0	702		0.3822%	$634,500	$705,000	0.3846%	0.4970%	$631.83	$7,581.90	$414.20	$4,970.37	$1,046.03	$12,552.27
9 B		1.0	1.0	702		0.3822%	$639,000	$710,000	0.3846%	0.4970%	$631.83	$7,581.90	$414.20	$4,970.37	$1,046.03	$12,552.27
10 B		1.0	1.0	702		0.3822%	$643,500	$715,000	0.3846%	0.4970%	$631.83	$7,581.90	$414.20	$4,970.37	$1,046.03	$12,552.27
11 B		1.0	1.0	702		0.3822%	$648,000	$720,000	0.3846%	0.4970%	$631.83	$7,581.90	$414.20	$4,970.37	$1,046.03	$12,552.27
12 B		1.0	1.0	702		0.3822%	$652,500	$725,000	0.3846%	0.4970%	$631.83	$7,581.90	$414.20	$4,970.37	$1,046.03	$12,552.27
PH B	V	1.0	1.0	FP 735		0.4002%	$882,000	$980,000	0.4026%	0.5204%	$661.54	$7,938.37	$433.70	$5,204.45	$1,095.24	$13,142.82

SCHEDULE A

WELLINGTON TOWER CONDOMINIUM
350 EAST 82ND STREET
NEW YORK, NEW YORK 10028

PURCHASE PRICES AND RELATED INFORMATION
PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION - JULY 1, 2006 TO JUNE 30, 2007

UNIT	STATUS	(1) NUMBER OF BEDROOMS	(1) NUMBER OF BATHS	(2) APPROX SQ FT UNIT	(2) APPROX SQ FT TERRACE	(3) PERCENTAGE OF COMMON INTEREST	(4) PURCHASE PRICE FOR TENANT PURCHASERS	(4) PURCHASE PRICE FOR NON-TENANT PURCHASERS	(3) % INTEREST IN THE COMMON EXPENSES	(3) RESIDENTIAL COMMON INTEREST	(5) PROJECTED COMMON CHARGES MONTHLY	(5) PROJECTED COMMON CHARGES ANNUAL	(6) PROJECTED REAL ESTATE TAXES MONTHLY	(6) PROJECTED REAL ESTATE TAXES ANNUAL	(7) PROJECTED TOTAL CARRYING CHARGES MONTHLY	(7) PROJECTED TOTAL CARRYING CHARGES ANNUAL
2 C		1.0	1.0	718		0.3909%	$603,000	$670,000	0.3933%	0.5083%	$646.23	$7,754.72	$423.63	$5,083.51	$1,069.86	$12,838.23
3 C	V	1.0	1.0	706		0.3844%	$607,500	$675,000	0.3868%	0.4998%	$635.43	$7,625.07	$416.58	$4,998.98	$1,052.01	$12,624.05
4 C		1.0	1.0	706		0.3844%	$612,000	$680,000	0.3868%	0.4998%	$635.43	$7,625.07	$416.58	$4,998.98	$1,052.01	$12,624.05
5 C		1.0	1.0	706		0.3844%	$616,500	$685,000	0.3868%	0.4998%	$635.43	$7,625.07	$416.58	$4,998.98	$1,052.01	$12,624.05
8 C		1.0	1.0	700		0.3811%	$634,500	$705,000	0.3835%	0.4956%	$630.04	$7,560.39	$413.01	$4,956.07	$1,043.05	$12,516.46
9 C	V	1.0	1.0	700		0.3811%	$639,000	$710,000	0.3835%	0.4956%	$630.04	$7,560.39	$413.01	$4,956.07	$1,043.05	$12,516.46
10 C		1.0	1.0	700		0.3811%	$643,500	$715,000	0.3835%	0.4956%	$630.04	$7,560.39	$413.01	$4,956.07	$1,043.05	$12,516.46
11 C		1.0	1.0	700		0.3811%	$648,000	$720,000	0.3835%	0.4956%	$630.04	$7,560.39	$413.01	$4,956.07	$1,043.05	$12,516.46
12 C		1.0	1.0	700		0.3811%	$652,500	$725,000	0.3835%	0.4956%	$630.04	$7,560.39	$413.01	$4,956.07	$1,043.05	$12,516.46
15 C		1.0	2.0 FP	1,029		0.5603%	$877,500	$975,000	0.5637%	0.7285%	$926.15	$11,113.69	$607.21	$7,286.49	$1,533.36	$18,400.18
16 C		2.0	2.0 FP	1,271		0.6920%	$1,278,000	$1,420,000	0.6963%	0.8999%	$1,143.95	$13,727.38	$749.93	$8,999.20	$1,893.88	$22,726.58
17 C	V	2.0	2.0 FP	1,271		0.6920%	$1,291,500	$1,435,000	0.6963%	0.8999%	$1,143.95	$13,727.38	$749.93	$8,999.20	$1,893.88	$22,726.58
18 C		2.0	2.0 FP	1,236		0.6730%	$1,305,000	$1,450,000	0.6771%	0.8751%	$1,112.45	$13,349.40	$729.34	$8,752.12	$1,841.79	$22,101.52
PH CD		5.0	5.0 2FP	2,758		1.5017%	$3,915,000	$4,350,000	1.5110%	1.9528%	$2,482.31	$29,787.63	$1,627.42	$19,529.05	$4,109.73	$49,316.68
2 D	V	1.0	1.0	725		0.3947%	$603,000	$670,000	0.3972%	0.5133%	$652.54	$7,830.38	$427.74	$5,132.93	$1,080.28	$12,963.31
3 D		0.0	1.0	593		0.3228%	$441,000	$490,000	0.3248%	0.4198%	$533.72	$6,404.64	$349.83	$4,197.90	$883.55	$10,602.54
4 D		0.0	1.0	593		0.3228%	$445,500	$495,000	0.3248%	0.4198%	$533.72	$6,404.64	$349.83	$4,197.90	$883.55	$10,602.54
5 D		0.0	1.0	593		0.3228%	$450,000	$500,000	0.3248%	0.4198%	$533.72	$6,404.64	$349.83	$4,197.90	$883.55	$10,602.54
8 D		2.0	2.0	1,038		0.5652%	$958,500	$1,065,000	0.5687%	0.7349%	$934.24	$11,210.86	$612.52	$7,350.22	$1,546.76	$18,561.08
9 D	V	2.0	2.0	1,038		0.5652%	$967,500	$1,075,000	0.5687%	0.7349%	$934.24	$11,210.86	$612.52	$7,350.22	$1,546.76	$18,561.08
10 D		2.0	2.0	1,038		0.5652%	$976,500	$1,085,000	0.5687%	0.7349%	$934.24	$11,210.86	$612.52	$7,350.22	$1,546.76	$18,561.08
11 D		2.0	2.0	1,038		0.5652%	$985,500	$1,095,000	0.5687%	0.7349%	$934.24	$11,210.86	$612.52	$7,350.22	$1,546.76	$18,561.08
12 D		2.0	2.0	1,038		0.5652%	$994,500	$1,105,000	0.5687%	0.7349%	$934.24	$11,210.86	$612.52	$7,350.22	$1,546.76	$18,561.08
14 D		4.0	4.0 FP,T	1,889	995	1.5703%	$2,790,000	$3,100,000	1.5801%	2.0420%	$2,595.72	$31,148.54	$1,701.76	$20,421.16	$4,297.48	$51,569.70
15 D (2)		5.0	4.0 FP	2,127		1.1581%	$2,700,000	$3,000,000	1.1653%	1.5060%	$1,914.38	$22,972.52	$1,255.06	$15,060.66	$3,169.44	$38,033.18

SCHEDULE A

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UNIT	STATUS	(1) NUMBER OF BEDROOMS	(1) NUMBER OF BATHS	(2) APPROX SQ FT UNIT	(2) APPROX SQ FT TERRACE	(3) PERCENTAGE OF COMMON INTEREST	(4) PURCHASE PRICE FOR TENANT PURCHASERS	(4) PURCHASE PRICE FOR NON-TENANT PURCHASERS	(3) % INTEREST IN THE COMMON EXPENSES	(3) RESIDENTIAL COMMON INTEREST	(5) PROJECTED COMMON CHARGES MONTHLY	(5) PROJECTED COMMON CHARGES ANNUAL	(6) PROJECTED REAL ESTATE TAXES MONTHLY	(6) PROJECTED REAL ESTATE TAXES ANNUAL	(7) PROJECTED TOTAL CARRYING CHARGES MONTHLY	(7) PROJECTED TOTAL CARRYING CHARGES ANNUAL
16 D		4.0	4.0 FP	1,889		1.0285%	$2,025,000	$2,250,000	1.0349%	1.3375%	$1,700.17	$20,402.00	$1,114.61	$13,375.26	$2,814.78	$33,777.26
17 D		4.0	4.0 FP	1,889		1.0285%	$2,047,500	$2,275,000	1.0349%	1.3375%	$1,700.17	$20,402.00	$1,114.61	$13,375.26	$2,814.78	$33,777.26
18 D		3.0	3.0 FP	1,523		0.8292%	$1,665,000	$1,850,000	0.8344%	1.0783%	$1,370.76	$16,449.06	$898.62	$10,783.44	$2,269.38	$27,232.50
2 E		2.0	2.0	1,059		0.5766%	$886,500	$985,000	0.5802%	0.7498%	$953.14	$11,437.68	$624.87	$7,498.47	$1,578.01	$18,936.15
3 E		0.0	1.0	586		0.3190%	$441,000	$490,000	0.3210%	0.4149%	$527.43	$6,329.13	$345.71	$4,148.48	$873.14	$10,477.61
4 E		0.0	1.0	586		0.3190%	$445,500	$495,000	0.3210%	0.4149%	$527.43	$6,329.13	$345.71	$4,148.48	$873.14	$10,477.61
5 E		0.0	1.0	586		0.3190%	$450,000	$500,000	0.3210%	0.4149%	$527.43	$6,329.13	$345.71	$4,148.48	$873.14	$10,477.61
6 E		0.0	1.0	586		0.3190%	$459,000	$510,000	0.3210%	0.4149%	$527.43	$6,329.13	$345.71	$4,148.48	$873.14	$10,477.61
7 E		0.0	1.0	551		0.3000%	$468,000	$520,000	0.3018%	0.3901%	$495.92	$5,951.00	$325.12	$3,901.39	$821.04	$9,852.39
8 E		0.0	1.0	610		0.3321%	$472,500	$525,000	0.3342%	0.4319%	$549.03	$6,588.29	$359.90	$4,318.84	$908.93	$10,907.13
9 E		0.0	1.0	610		0.3321%	$477,000	$530,000	0.3342%	0.4319%	$549.03	$6,588.29	$359.90	$4,318.84	$908.93	$10,907.13
10 E		0.0	1.0	610		0.3321%	$481,500	$535,000	0.3342%	0.4319%	$549.03	$6,588.29	$359.90	$4,318.84	$908.93	$10,907.13
11 E		0.0	1.0	610		0.3321%	$486,000	$540,000	0.3342%	0.4319%	$549.03	$6,588.29	$359.90	$4,318.84	$908.93	$10,907.13
12 E		0.0	1.0	610		0.3321%	$490,500	$545,000	0.3342%	0.4319%	$549.03	$6,588.29	$359.90	$4,318.84	$908.93	$10,907.13
2 F		0.0	1.0	610		0.3321%	$432,000	$480,000	0.3342%	0.4319%	$549.03	$6,588.29	$359.90	$4,318.83	$908.93	$10,907.12
3 F		0.0	1.0	612		0.3332%	$441,000	$490,000	0.3353%	0.4333%	$550.83	$6,609.95	$361.10	$4,333.14	$911.93	$10,943.09
4 F		0.0	1.0	612		0.3332%	$445,500	$495,000	0.3353%	0.4333%	$550.83	$6,609.95	$361.10	$4,333.14	$911.93	$10,943.09
5 F		0.0	1.0	612		0.3332%	$450,000	$500,000	0.3353%	0.4333%	$550.83	$6,609.95	$361.10	$4,333.14	$911.93	$10,943.09
6 F		0.0	1.0	612		0.3332%	$459,000	$510,000	0.3353%	0.4333%	$550.83	$6,609.95	$361.10	$4,333.14	$911.93	$10,943.09
7 F	V	0.0	1.0	538		0.2929%	$468,000	$520,000	0.2947%	0.3809%	$484.23	$5,810.66	$317.42	$3,809.05	$801.65	$9,619.71
8 F		0.0	1.0	620		0.3376%	$472,500	$525,000	0.3396%	0.4390%	$558.03	$6,696.28	$365.86	$4,390.36	$923.89	$11,086.64
9 F		0.0	1.0	620		0.3376%	$477,000	$530,000	0.3396%	0.4390%	$558.03	$6,696.28	$365.86	$4,390.36	$923.89	$11,086.64
10 F		0.0	1.0	620		0.3376%	$481,500	$535,000	0.3396%	0.4390%	$558.03	$6,696.28	$365.86	$4,390.36	$923.89	$11,086.64

SCHEDULE A

WELLINGTON TOWER CONDOMINIUM
350 EAST 82ND STREET
NEW YORK, NEW YORK 10028

PURCHASE PRICES AND RELATED INFORMATION
PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION - JULY 1, 2006 TO JUNE 30, 2007

UNIT	STATUS	(1) NUMBER OF BEDROOMS	(1) NUMBER OF BATHS	(2) APPROX SQ FT UNIT	(2) APPROX SQ FT TERRACE	(3) PERCENTAGE OF COMMON INTEREST	(4) PURCHASE PRICE FOR TENANT PURCHASERS	(4) PURCHASE PRICE FOR NON-TENANT PURCHASERS	(3) % INTEREST IN THE COMMON EXPENSES	(3) RESIDENTIAL COMMON INTEREST	(5) PROJECTED COMMON CHARGES MONTHLY	(5) PROJECTED COMMON CHARGES ANNUAL	(6) PROJECTED REAL ESTATE TAXES MONTHLY	(6) PROJECTED REAL ESTATE TAXES ANNUAL	(7) PROJECTED TOTAL CARRYING CHARGES MONTHLY	(7) PROJECTED TOTAL CARRYING CHARGES ANNUAL
11 F		0.0	1.0	620		0.3376%	$486,000	$540,000	0.3396%	0.4390%	$558.03	$6,696.28	$365.86	$4,390.36	$923.89	$11,086.64
12 F		0.0	1.0	620		0.3376%	$490,500	$545,000	0.3396%	0.4390%	$558.03	$6,696.28	$365.86	$4,390.36	$923.89	$11,086.64
2 G	V	0.0	1.0	620		0.3376%	$432,000	$480,000	0.3396%	0.4390%	$558.03	$6,696.28	$365.86	$4,390.36	$923.89	$11,086.64
3 G		1.0	1.0	747		0.4067%	$612,000	$680,000	0.4092%	0.5289%	$672.32	$8,067.88	$440.75	$5,288.97	$1,113.07	$13,356.85
4 G	V	1.0	1.0	747		0.4067%	$616,500	$685,000	0.4092%	0.5289%	$672.32	$8,067.88	$440.75	$5,288.97	$1,113.07	$13,356.85
5 G	V	1.0	1.0	747		0.4067%	$621,000	$690,000	0.4092%	0.5289%	$672.32	$8,067.88	$440.75	$5,288.97	$1,113.07	$13,356.85
6 G		1.0	1.0	748		0.4072%	$625,500	$695,000	0.4098%	0.5296%	$673.23	$8,078.71	$441.29	$5,295.48	$1,114.52	$13,374.19
7 G		0.0	1.0	620		0.3376%	$463,500	$515,000	0.3396%	0.4390%	$558.03	$6,696.28	$365.86	$4,390.36	$923.89	$11,086.64
8 G		2.0	2.0	1,130		0.6153%	$999,000	$1,110,000	0.6191%	0.8001%	$1,017.04	$12,204.47	$666.81	$8,001.74	$1,683.85	$20,206.21
9 G		2.0	2.0	1,130		0.6153%	$1,008,000	$1,120,000	0.6191%	0.8001%	$1,017.04	$12,204.47	$666.81	$8,001.74	$1,683.85	$20,206.21
10 G		2.0	2.0	1,130		0.6153%	$1,017,000	$1,130,000	0.6191%	0.8001%	$1,017.04	$12,204.47	$666.81	$8,001.74	$1,683.85	$20,206.21
11 G	S	2.0	2.0	1,130		0.6153%		$1,140,000					$666.81	$8,001.74	$666.81	$8,001.74
12 G		2.0	2.0	1,130		0.6153%	$1,035,000	$1,150,000	0.6191%	0.8001%	$1,017.03	$12,204.47	$666.81	$8,001.74	$1,683.84	$20,206.21
2 H	V	2.0	2.0	1,137		0.6191%	$904,500	$1,005,000	0.6229%	0.8050%	$1,023.34	$12,280.13	$670.93	$8,051.16	$1,694.27	$20,331.29
3 H		1.0	1.0	714		0.3887%	$607,500	$675,000	0.3911%	0.5055%	$642.62	$7,711.55	$421.24	$5,054.89	$1,063.86	$12,766.44
4 H		1.0	1.0	714		0.3887%	$612,000	$680,000	0.3911%	0.5055%	$642.62	$7,711.55	$421.24	$5,054.89	$1,063.86	$12,766.44
5 H		1.0	1.0	714		0.3887%	$616,500	$685,000	0.3911%	0.5055%	$642.62	$7,711.55	$421.24	$5,054.89	$1,063.86	$12,766.44
6 H		1.0	1.0	715		0.3893%	$621,000	$690,000	0.3917%	0.5062%	$643.53	$7,722.38	$421.89	$5,062.69	$1,065.42	$12,785.07
7 H	V	2.0	2.0	1,130		0.6153%	$990,000	$1,100,000	0.6191%	0.8001%	$1,017.03	$12,204.47	$666.81	$8,001.74	$1,683.84	$20,206.21
8 H		2.0	2.0	1,143		0.6223%	$990,000	$1,100,000	0.6262%	0.8093%	$1,028.74	$12,344.95	$674.40	$8,092.77	$1,703.14	$20,437.72
9 H		2.0	2.0	1,143		0.6223%	$999,000	$1,110,000	0.6262%	0.8093%	$1,028.74	$12,344.95	$674.40	$8,092.77	$1,703.14	$20,437.72
10 H		2.0	2.0	1,143		0.6223%	$1,008,000	$1,120,000	0.6262%	0.8093%	$1,028.74	$12,344.95	$674.40	$8,092.77	$1,703.14	$20,437.72
11 H		2.0	2.0	1,122		0.6109%	$1,017,000	$1,130,000	0.6147%	0.7944%	$1,009.84	$12,118.14	$662.04	$7,944.52	$1,671.88	$20,062.66
12 H		2.0	2.0	1,122		0.6109%	$1,026,000	$1,140,000	0.6147%	0.7944%	$1,009.84	$12,118.14	$662.04	$7,944.52	$1,671.88	$20,062.66

SCHEDULE A

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PURCHASE PRICES AND RELATED INFORMATION
PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION - JULY 1, 2006 TO JUNE 30, 2007

UNIT	STATUS	(1) NUMBER OF BEDROOMS	(1) NUMBER OF BATHS	(2) APPROX SQ FT UNIT	(2) APPROX SQ FT TERRACE	(3) PERCENTAGE OF COMMON INTEREST	(4) PURCHASE PRICE FOR TENANT PURCHASERS	(4) PURCHASE PRICE FOR NON-TENANT PURCHASERS	(3) % INTEREST IN THE COMMON EXPENSES	(3) RESIDENTIAL COMMON INTEREST	(5) PROJECTED COMMON CHARGES MONTHLY	(5) PROJECTED COMMON CHARGES ANNUAL	(6) PROJECTED REAL ESTATE TAXES MONTHLY	(6) PROJECTED REAL ESTATE TAXES ANNUAL	(7) PROJECTED TOTAL CARRYING CHARGES MONTHLY	(7) PROJECTED TOTAL CARRYING CHARGES ANNUAL
2 J	V	2.0	2.0	1,129		0.6147%	$895,500	$995,000	0.6185%	0.7994%	$1,016.14	$12,193.79	$666.16	$7,993.94	$1,682.30	$20,187.73
3 J		1.0	1.0	737		0.4013%	$607,500	$675,000	0.4037%	0.5218%	$663.32	$7,959.88	$434.90	$5,218.75	$1,098.22	$13,178.63
4 J		1.0	1.0	737		0.4013%	$612,000	$680,000	0.4037%	0.5218%	$663.32	$7,959.88	$434.90	$5,218.75	$1,098.22	$13,178.63
5 J		1.0	1.0	737		0.4013%	$616,500	$685,000	0.4037%	0.5218%	$663.32	$7,959.88	$434.90	$5,218.75	$1,098.22	$13,178.63
6 J	V	1.0	1.0	737		0.4013%	$621,000	$690,000	0.4037%	0.5218%	$663.32	$7,959.88	$434.90	$5,218.75	$1,098.22	$13,178.63
3 K		1.0	1.0	718		0.3909%	$607,500	$675,000	0.3933%	0.5083%	$646.22	$7,754.72	$423.63	$5,083.50	$1,069.85	$12,838.22
4 K		1.0	1.0	718		0.3909%	$612,000	$680,000	0.3933%	0.5083%	$646.22	$7,754.72	$423.63	$5,083.50	$1,069.85	$12,838.22
5 K		1.0	1.0	718		0.3909%	$616,500	$685,000	0.3933%	0.5083%	$646.22	$7,754.72	$423.63	$5,083.50	$1,069.85	$12,838.22
6 K		1.0	1.0	718		0.3909%	$621,000	$690,000	0.3933%	0.5083%	$646.22	$7,754.72	$423.63	$5,083.50	$1,069.85	$12,838.22
3 L		1.0	1.0	716		0.3898%	$607,500	$675,000	0.3922%	0.5069%	$644.42	$7,733.07	$422.43	$5,069.20	$1,066.85	$12,802.27
4 L		1.0	1.0	716		0.3898%	$612,000	$680,000	0.3922%	0.5069%	$644.42	$7,733.07	$422.43	$5,069.20	$1,066.85	$12,802.27
5 L		1.0	1.0	716		0.3898%	$616,500	$685,000	0.3922%	0.5069%	$644.42	$7,733.07	$422.43	$5,069.20	$1,066.85	$12,802.27
6 L		1.0	1.0	716		0.3898%	$621,000	$690,000	0.3922%	0.5069%	$644.42	$7,733.07	$422.43	$5,069.20	$1,066.85	$12,802.27
3 M		1.0	1.0	717		0.3904%	$607,500	$675,000	0.3928%	0.5076%	$645.32	$7,743.90	$423.08	$5,077.00	$1,068.40	$12,820.90
4 M		1.0	1.0	717		0.3904%	$612,000	$680,000	0.3928%	0.5076%	$645.32	$7,743.90	$423.08	$5,077.00	$1,068.40	$12,820.90
5 M		1.0	1.0	717		0.3904%	$616,500	$685,000	0.3928%	0.5076%	$645.32	$7,743.90	$423.08	$5,077.00	$1,068.40	$12,820.90
6 M		1.0	1.0	716		0.3898%	$621,000	$690,000	0.3922%	0.5069%	$644.42	$7,733.07	$422.43	$5,069.20	$1,066.85	$12,802.27

SCHEDULE A

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PURCHASE PRICES AND RELATED INFORMATION
PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION - JULY 1, 2006 TO JUNE 30, 2007

UNIT	STATUS	(1) NUMBER OF BEDROOMS	(1) NUMBER OF BATHS	(2) APPROX SQ FT UNIT	(2) APPROX SQ FT TERRACE	(3) PERCENTAGE OF COMMON INTEREST	(4) PURCHASE PRICE FOR TENANT PURCHASERS	(4) PURCHASE PRICE FOR NON-TENANT PURCHASERS	(3) % INTEREST IN THE COMMON EXPENSES	(3) RESIDENTIAL COMMON INTEREST	(5) PROJECTED COMMON CHARGES MONTHLY	(5) PROJECTED COMMON CHARGES ANNUAL	(6) PROJECTED REAL ESTATE TAXES MONTHLY	(6) PROJECTED REAL ESTATE TAXES ANNUAL	(7) PROJECTED TOTAL CARRYING CHARGES MONTHLY	(7) PROJECTED TOTAL CARRYING CHARGES ANNUAL
3 N		1.0	1.0	700		0.3811%	$603,000	$670,000	0.3835%	0.4956%	$630.03	$7,560.40	$413.01	$4,956.06	$1,043.04	$12,516.46
4 N	V	1.0	1.0	700		0.3811%	$607,500	$675,000	0.3835%	0.4956%	$630.03	$7,560.40	$413.01	$4,956.06	$1,043.04	$12,516.46
5 N		1.0	1.0	700		0.3811%	$612,000	$680,000	0.3835%	0.4956%	$630.03	$7,560.40	$413.01	$4,956.06	$1,043.04	$12,516.46
6 N		1.0	1.0	700		0.3811%	$616,500	$685,000	0.3835%	0.4956%	$630.03	$7,560.40	$413.01	$4,956.06	$1,043.04	$12,516.46
3 P		1.0	1.0	700		0.3811%	$603,000	$670,000	0.3835%	0.4956%	$630.03	$7,560.40	$413.01	$4,956.06	$1,043.04	$12,516.46
4 P		1.0	1.0	700		0.3811%	$607,500	$675,000	0.3835%	0.4956%	$630.03	$7,560.40	$413.01	$4,956.06	$1,043.04	$12,516.46
5 P		1.0	1.0	700		0.3811%	$612,000	$680,000	0.3835%	0.4956%	$630.03	$7,560.40	$413.01	$4,956.06	$1,043.04	$12,516.46
6 P		1.0	1.0	700		0.3811%	$616,500	$685,000	0.3835%	0.4956%	$630.03	$7,560.40	$413.01	$4,956.06	$1,043.04	$12,516.46
3 R	V	2.0	2.0	1,037		0.5646%	$900,000	$1,000,000	0.5681%	0.7342%	$933.33	$11,200.04	$611.87	$7,342.40	$1,545.20	$18,542.44
4 R		2.0	2.0	1,037		0.5646%	$909,000	$1,010,000	0.5681%	0.7342%	$933.33	$11,200.04	$611.87	$7,342.40	$1,545.20	$18,542.44
5 R		2.0	2.0	1,037		0.5646%	$918,000	$1,020,000	0.5681%	0.7342%	$933.33	$11,200.04	$611.87	$7,342.40	$1,545.20	$18,542.44
6 RS		3.0	3.0	1,647		0.8968%	$1,507,500	$1,675,000	0.9023%	1.1661%	$1,482.36	$17,788.32	$971.88	$11,662.54	$2,454.24	$29,450.86
3 S		0.0	1.0	610		0.3321%	$436,500	$485,000	0.3342%	0.4319%	$549.02	$6,588.30	$359.90	$4,318.83	$908.92	$10,907.13
4 S		0.0	1.0	610		0.3321%	$441,000	$490,000	0.3342%	0.4319%	$549.02	$6,588.30	$359.90	$4,318.83	$908.92	$10,907.13
5 S		0.0	1.0	610		0.3321%	$445,500	$495,000	0.3342%	0.4319%	$549.02	$6,588.30	$359.90	$4,318.83	$908.92	$10,907.13
3 T	V	0.0	1.0	620		0.3376%	$436,500	$485,000	0.3396%	0.4390%	$558.02	$6,696.29	$365.86	$4,390.36	$923.88	$11,086.65
4 T	V	0.0	1.0	620		0.3376%	$441,000	$490,000	0.3396%	0.4390%	$558.02	$6,696.29	$365.86	$4,390.36	$923.88	$11,086.65
5 T	V	0.0	1.0	620		0.3376%	$445,500	$495,000	0.3396%	0.4390%	$558.02	$6,696.29	$365.86	$4,390.36	$923.88	$11,086.65
6 T		0.0	1.0	620		0.3376%	$454,500	$505,000	0.3396%	0.4390%	$558.02	$6,696.29	$365.86	$4,390.36	$923.88	$11,086.65

SCHEDULE A

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UNIT	STATUS	(1) NUMBER OF BEDROOMS	(1) NUMBER OF BATHS		(2) APPROX SQ FT UNIT	(2) APPROX SQ FT TERRACE	(3) PERCENTAGE OF COMMON INTEREST	(4) PURCHASE PRICE FOR TENANT PURCHASERS	(4) PURCHASE PRICE FOR NON-TENANT PURCHASERS	(3) % INTEREST IN THE COMMON EXPENSES	(3) RESIDENTIAL COMMON INTEREST	(5) PROJECTED COMMON CHARGES MONTHLY	(5) PROJECTED COMMON CHARGES ANNUAL	(6) PROJECTED REAL ESTATE TAXES MONTHLY	(6) PROJECTED REAL ESTATE TAXES ANNUAL	(7) PROJECTED TOTAL CARRYING CHARGES MONTHLY	(7) PROJECTED TOTAL CARRYING CHARGES ANNUAL
3 U		2.0	2.0		1,130		0.6153%	$940,500	$1,045,000	0.6191%	0.8001%	$1,017.03	$12,204.48	$666.81	$8,001.74	$1,683.84	$20,206.22
4 U		2.0	2.0		1,130		0.6153%	$949,500	$1,055,000	0.6191%	0.8001%	$1,017.03	$12,204.48	$666.81	$8,001.74	$1,683.84	$20,206.22
5 U		2.0	2.0		1,130		0.6153%	$958,500	$1,065,000	0.6191%	0.8001%	$1,017.03	$12,204.48	$666.81	$8,001.74	$1,683.84	$20,206.22
6 U		2.0	2.0		1,130		0.6153%	$967,500	$1,075,000	0.6191%	0.8001%	$1,017.03	$12,204.48	$666.81	$8,001.74	$1,683.84	$20,206.22
3 V		2.0	2.0		1,136		0.6185%	$927,000	$1,030,000	0.6224%	0.8043%	$1,022.44	$12,269.31	$670.28	$8,043.35	$1,692.72	$20,312.66
4 V		2.0	2.0		1,136		0.6185%	$936,000	$1,040,000	0.6224%	0.8043%	$1,022.44	$12,269.31	$670.28	$8,043.35	$1,692.72	$20,312.66
5 V	V	2.0	2.0		1,136		0.6185%	$945,000	$1,050,000	0.6224%	0.8043%	$1,022.44	$12,269.31	$670.28	$8,043.35	$1,692.72	$20,312.66
6 V	V	2.0	2.0		1,123		0.6114%	$954,000	$1,060,000	0.6152%	0.7951%	$1,010.74	$12,128.98	$662.59	$7,951.02	$1,673.33	$20,080.00
7 V	V	2.0	2.0		1,123		0.6114%	$976,500	$1,085,000	0.6152%	0.7951%	$1,010.74	$12,128.98	$662.59	$7,951.02	$1,673.33	$20,080.00
6 W		1.0	1.0		722		0.3941%	$612,000	$680,000	0.3965%	0.5112%	$649.82	$7,797.90	$427.09	$5,125.12	$1,076.91	$12,923.02
7 W		0.0	1.0	T	561	448	0.5504%	$607,500	$675,000	0.5538%	0.7144%	$908.14	$10,897.71	$596.48	$7,157.74	$1,504.62	$18,055.45
6 X		2.0	2.0		1,010		0.5509%	$886,500	$985,000	0.5543%	0.7151%	$909.04	$10,908.54	$597.02	$7,164.24	$1,506.06	$18,072.78
7 X	(3)	3.0	2.0	T	1,355	1,104	1.3399%	$1,705,500	$1,895,000	1.3485%	1.7411%	$2,213.19	$26,558.32	$1,452.07	$17,424.89	$3,665.26	$43,983.21
7 Y		0.0	1.0		665		0.3629%	$486,000	$540,000	0.3653%	0.4708%	$598.52	$7,182.29	$393.28	$4,719.37	$991.80	$11,901.66
7 Z		2.0	2.0		962		0.5238%	$895,500	$995,000	0.5280%	0.6879%	$865.84	$10,390.10	$567.65	$6,811.82	$1,433.49	$17,201.92
RESIDENTIAL TOTALS:																	
148		**199.0**	**230.5**		**138,238**	**4,122**	**77.5176%**	**$126,967,500**	**$142,215,000**	**77.3785%**	**100.0000%**	**$127,112.42**	**$1,525,349.00**	**$84,007.26**	**$1,008,087.11**	**$211,119.68**	**$2,533,436.11**

SCHEDULE A

WELLINGTON TOWER CONDOMINIUM
350 EAST 82ND STREET
NEW YORK, NEW YORK 10028

PURCHASE PRICES AND RELATED INFORMATION
PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION - JULY 1, 2006 TO JUNE 30, 2007

UNIT	STATUS	(1) NUMBER OF BEDROOMS	(1) NUMBER OF BATHS	(2) APPROX SQ FT UNIT	(2) APPROX SQ FT TERRACE	(3) PERCENTAGE OF COMMON INTEREST	(4) PURCHASE PRICE FOR TENANT PURCHASERS	(4) PURCHASE PRICE FOR NON-TENANT PURCHASERS	(3) % INTEREST IN THE COMMON EXPENSES	(3) RESIDENTIAL COMMON INTEREST	(5) PROJECTED COMMON CHARGES MONTHLY	(5) PROJECTED COMMON CHARGES ANNUAL	(6) PROJECTED REAL ESTATE TAXES MONTHLY	(6) PROJECTED REAL ESTATE TAXES ANNUAL	(7) PROJECTED TOTAL CARRYING CHARGES MONTHLY	(7) PROJECTED TOTAL CARRYING CHARGES ANNUAL
RETAIL UNIT				13,939		7.5900%			7.6370%		$2,550.42	$30,605.00	$8,291.16	$99,493.89	$10,841.58	$130,098.89
COMMUNITY FACILITY UNIT				14,254		7.7615%			7.8095%		$3,317.42	$39,809.00	$8,478.53	$101,742.30	$11,795.95	$141,551.30
VALET UNIT				96		0.0522%			0.0525%		$22.08	$265.00	$57.10	$685.22	$79.18	$950.22
GARAGE UNIT				13,000		7.0787%			7.1225%		$2,378.50	$28,542.00	$7,732.62	$92,791.48	$10,111.12	$121,333.48
				41,289		**22.4824%**			**22.6215%**		**$8,268.42**	**$99,221.00**	**$24,559.41**	**$294,712.89**	**$32,827.83**	**$393,933.89**
GRAND TOTALS:																
148		**199.0**		**179,527**	**4,122**	**100.0000%**	**$126,967,500**	**$142,215,000**	**100.0000%**		**$135,380.84**	**$1,624,570.00**	**$108,566.67**	**$1,302,800.00**	**$243,947.51**	**$2,927,370.00**

The symbols used in the Schedule A have the following meaning:

"T" denotes Terrace
"FP" denotes Fireplace
"S" denotes Superintendent's Unit
"V" denotes a Vacant Unit

(1) 18AB is currently configured as a three bedroom + study
(2) 15D is currently configured as a three bedroom
(3) 7X is currently configured as a two bedroom + den/study

NOTE: Since the superintendent's Unit 11G is a General Common Element for budget purposes, General Common Expenses have been apportioned to the Units based on the % Interest in the Common Expenses as set forth on this schedule.

Notes to Schedule A

(1) All Residential Units being offered for sale are offered for residential use only. Purchasers should note that any floor plan or sketch shown to a prospective Purchaser including those set forth in the Plan, is only an approximation of the dimensions and layout of each Residential Unit. While the Floor Plans are meant to reflect existing conditions, the actual layout of a Residential Unit may have been altered; accordingly, each Residential Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. The number of bedrooms and bathrooms has been disclosed in accordance with the method of calculation employed by the Division of Housing and Community Renewal. "T" denotes a Terrace, "FP" denotes a gas fireplace. Sponsor has reserved the right to negotiate with individual Purchasers, other than Tenant-Purchasers for whom such negotiation would constitute a discriminatory inducement, to perform special work in a Residential Unit which may require a modification in Floor Plans for certain Residential Units.

Apartments 6R and 6S, apartments 18A and 18B, and apartments PHC and PHD have been physically combined but are listed as separate apartments on the Building's temporary Certificate of Occupancy. Any purchaser who acquires Unit 6R/6S, Unit 18A/B or Unit PHC/D from Sponsor shall be required to comply with all applicable laws in connection with the combination of such Units and shall do so at such Purchaser's sole cost and expense.

(2) The square footage of each Residential Unit has been measured from the exterior side of the perimeter walls (perimeter columns and perimeter mechanical pipes are not deducted) to the centerline of the partitions separating one Residential Unit from another Residential Unit, corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements (as hereinafter defined); or to the exterior side of the opposite exterior walls.

All Residential Units are subject to the Rent Laws as of the Filing Date of the Plan. Next to each Residential Unit Number is the vacancy status of such Residential Unit.

(3) The percentage of Common Interest for each Unit has been allocated in accordance with Section 339-i(1) of the Real Property Law, in the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all of the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements, in accordance with subsection (ii). (See the Section of the Plan entitled "Compliance with Real Property Law Section 339-i" for more details.) In the event that Sponsor negotiates with individual Purchasers (other than Tenant-Purchasers until the effective date of the Plan) to change the layout or dimensions of their respective Units and such changes involves the inclusion, in the Unit, of areas formerly designated as Common Elements, Residential Common Elements or involves adding to the Common Elements or Residential Common Elements, space that was previously incorporated in the 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.

The percentage interest of each Unit in the Common Expenses in nominally greater than the percentage of Common Interest as a result of the allocation of all expenses associated with the Resident Manager's Unit to the other Units.

Residential Common Interest is the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for such Residential Unit Owner's share of the Residential Common Expenses.

(4) Each Tenant-Purchaser has the exclusive right to purchase his respective Residential Unit for a period of 90 days from the Presentation Date of the Plan, at a price reduction of 10% below that offered to Non-Tenant-Purchasers. The Purchase Prices payable by Purchasers may be increased only by duly filed amendment but may be decreased on an individually negotiated basis with a Purchaser (other than a Tenant-Purchaser until the effective date of the Plan) without amendment to the Plan. Any across-the-board change in the Purchase Prices that affects a line or major grouping of Residential Units or is to be advertised will be made by duly filed amendment to the Plan. See the Section of the Plan entitled "Changes in Prices and Units" concerning other terms of sale.

In addition to the payment of the Purchase Price, each Purchaser will be required to make a contribution to the Working Capital Fund of the Building in an amount equal to two (2) month's Common Charges then in effect and will be responsible for the payment of certain closing costs and expenses at the time of closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments." If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Residential Unit at the time of closing. Purchasers should consult with their attorneys as to the exact closing costs they will incur. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

(5) The estimates contained in this schedule were prepared on the assumption that the first year of condominium operation will be the year from July 1, 2006 through June 30, 2007, and are based on an estimate of the receipts and expenses of the Condominium for the projected year. 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 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 25% or more, Sponsor will offer all Purchasers the right to rescind for a period of 15 days after the date of the presentation of the amendment setting forth the right to rescind.

The estimated monthly Common Charges for each Unit is based on the Schedule B - Projected Budget for First Year of Condominium Operation as certified by Sponsor's Budget Expert, Diversified Valuation Group. 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 is separately metered and payable directly to the utility company, the cost of cable television services and the cost of telephone and internet provider services and the insurance which must be carried by each Residential Unit Owner with respect to liability within the Residential Unit (and its appurtenant Residential Limited Common Elements) and casualty to the contents of the Residential Unit and the cost of interior repairs, replacements and decorations to the Residential Unit. Until the Residential Units are separately assessed, real estate taxes may be part of Common Expenses, as provided in the By-Laws. Capital repairs, replacements, additions, improvements, alterations and restorations to the Common Elements or Residential Common Elements are either Common Expenses or Residential Common Expenses which will be borne by all Unit Owners or solely by the Residential Unit Owners, as the case may be. In addition, all costs associated with the acquisition, ownership and maintenance of the Resident Manager's Unit are Common Expenses to be borne by all Unit Owners in accordance with Schedule B.

The aggregate monthly rents payable by the tenants of Residential Units in the Building for the month of September, 2005 is $519,072.

(6) The New York City real estate taxes for the projected first year of condominium operation, which have been estimated by Sponsor's real estate tax consultant, Marcus & Pollack LLP, to be $1,302,800, are based upon the projected 2006/2007 Taxable Assessed Valuation of $10,307,118, respectively, and an estimated

tax rate of $12.64 per $100 of assessed valuation for the 2006/2007 tax year for Residential Units. For the tax years 2006/2007, the 421-a exemption percentage will be 60%. No representation is made or assurance given as to what the actual tax rate or assessed valuation will be for such period. The tax rate and assessed valuations for the current and two preceding tax years are as follows:

Tax Year	Tax Rate per $100 of Assessed Valuation	Transition Assessed Valuation	Actual Assessed Valuation	Exemption %	Exemption	Taxable Value	Annual Real Estate Tax
2005/2006	$12.396*	$21,825,000	$21,915,000	60%	$11,481,586	$10,343,414	$1,282,170
2004/2005	$12.216	$21,798,000	$19,260,000	80%	$13,349,122	$5,910,878	$722,073
2003/2004	$12.620	$22,572,000	$22,410,000	80%	$15,755,722	$6,654,278	$839,770

*Proposed class 2 tax rate. Sponsor makes no representation concerning actual tax rates for fiscal year 2005/2006.

The Property benefits from a 421-a real estate tax exemption, which commenced in tax year 2001/2002 and will expire after tax year 2010/2011. See the Section of the Plan entitled "Real Estate Tax Exemption Benefits."

In no event shall the aggregate of the assessment of the Units plus their Common Interests exceed the total valuation of the Property were the Property assessed as one parcel.

The estimated real estate taxes for each Unit for the projected First Year of Condominium Operation assumes that the amount of real estate taxes payable with respect to each Unit will be levied in the proportion that its Common Interest bears to the Common Interests of all Units. There is no assurance that the New York City taxing authority will allocate taxes among Units in proportion to their respective Common Interests. New York City has recently indicated that it may allocate taxes among Units based on "value" (although it has not defined the term "value"). If real estate taxes are so allocated, Owners of Units having the same Common Interest may pay different amounts of real estate taxes. Until the Units are separately assessed, the Condominium Board or Sponsor, as the case may be, will pay all real estate taxes with respect to the Property and will allocate and charge the cost thereof among all Unit Owners in proportion to each Unit's percentage interest in the Common Expenses. Once the Units are separately assessed, each Unit will be taxed as a separate tax lot and no Unit Owner will be responsible for the payment of, nor will any Unit be subject to any lien arising from the non-payment of taxes on any other Unit.

See the Sections of the Plan entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium" and "Opinions of Counsel" for a discussion concerning the deductibility of real estate taxes and mortgage interest payments paid with respect to a Residential Unit. The projected income tax deduction, may vary in future years due to a change in the interest rate on the Unit Owner's mortgage or from changes in the allocation of constant debt service payment to interest and principal, or with respect to real estate taxes, due to changes in real property taxes resulting from the expiration of real estate tax benefits, if any, or from changes in the assessed value, the tax rate or the method of assessing real property.

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 that the aggregate of the assessments of the Units, plus their interests in the Common Elements, shall not exceed the total valuation of the Property as if it were assessed as one parcel.

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

SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE B

WELLINGTON TOWER CONDOMINIUM

PROJECTED BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

JULY 1, 2006 - JUNE 30, 2007

PROJECTED INCOME	
RESIDENTIAL COMMON CHARGES (Note 1)	$1,525,349
RETAIL UNIT COMMON CHARGES (Note 1)	$30,605
COMMUNITY FACILITY UNIT COMMON CHARGES (Note1)	$39,809
VALET UNIT COMMON CHARGES (Note 1)	$265
GARAGE UNIT COMMON CHARGES (Note 1)	$28,542
LAUNDRY INCOME (Note 2)	$15,600
INTEREST INCOME FROM RESERVE and WORKING CAPITAL FUNDS (Note 3)	$0
TOTAL PROJECTED INCOME	$1,640,170

PROJECTED EXPENSES	
SALARIES, PAYROLL TAXES and BENEFITS (Note 4)	$763,347
FUEL OIL (Note 5)	$81,000
ELECTRICITY and GAS (Note 6)	$161,700
WATER CHARGES and SEWER RENTS (Note 7)	$47,700
REPAIRS, MAINTENANCE and SUPPLIES(Note 8)	$77,500
SERVICE CONTRACTS (Note 9)	$157,800
INSURANCE (Note 10)	$112,000
MANAGEMENT FEES (Note 11)	$75,000
LEGAL and AUDIT FEES (Note 12)	$25,000
RESIDENT MANAGER UNIT COSTS (Note 13)	$92,223
ADMINISTRATION (Note 14)	$21,900
CONTINGENCY RESERVE (Note 15)	$25,000
TOTAL PROJECTED EXPENSES	$1,640,170

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

WELLINGTON TOWER CONDOMINIUM

Notes to Schedule B

1. Common Charges (Budget - $ 1,624,570)

The Common Charges to be collected from Unit Owners during the first year of condominium operation are projected based on the assumption that the first year of condominium operation will be for the year July 1, 2006 through June 30, 2007. The actual first year of condominium operation may be earlier or later.

	TOTAL	RESIDENTIAL UNIT	RETAIL UNIT	COMMUNITY FACILITY UNIT	VALET UNIT	GARAGE UNIT
% OF COMMON INTEREST	100.00%	77.5176%	7.59%	7.7615%	0.0522%	7.0787%
FIRST YEAR BUDGET:						
SALARIES, PAYROLL TAXES and BENEFITS	$763,347	$750,053	$4,488	$4,589	$31	$4,186
FUEL OIL	$81,000	$73,582	$0	$7,368	$50	$0
ELECTRICITY and GAS	$161,700	$158,065	$1,228	$1,255	$8	$1,144
WATER CHARGES and SEWER RENTS	$47,700	$46,628	$362	$370	$2	$338
REPAIRS, MAINTENANCE and SUPPLIES	$77,500	$69,651	$2,496	$3,006	$19	$2,328
SERVICE CONTRACTS	$157,800	$150,695	$2,163	$2,906	$19	$2,017
INSURANCE	$112,000	$86,820	$8,501	$8,693	$58	$7,928
MANAGEMENT FEES	$75,000	$58,138	$5,693	$5,821	$39	$5,309
LEGAL and AUDIT FEES	$25,000	$19,379	$1,898	$1,940	$13	$1,770
RESIDENT MANAGER UNIT COSTS	$92,223	$88,075	$1,400	$1,432	$10	$1,306
ADMINISTRATION	$21,900	$20,484	$478	$489	$3	$446
CONTINGENCY RESERVE	$25,000	$19,379	$1,898	$1,940	$13	$1,770
LESS: LAUNDRY INCOME	($15,600)	($15,600)				
TOTAL FIRST YEAR COMMON CHARGES BUDGET:	$1,624,570	$1,525,349	$30,605	$39,809	$265	$28,542

In the event the actual first year of condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with then current budget projections ("Revised Budget"). If the Common Charges in the Revised Budget exceeds the Common Charges in this Schedule B by 25% or more, Sponsor will offer all purchasers who otherwise are not in default the right to rescind their Purchase Agreements within 15 days after the presentation of the amendment containing the Revised Budget, and to have the deposit and interest earned, if any, paid under the Purchase Agreement returned.

2. Laundry Income (Budget - $ 15,600)

The amount budgeted is based on an a lease with Hi-Rise Laundry Equipment Corp, 120-03 Atlantic Avenue, Richmond Hill, NY 11418, which expired on April 30, 2005 which provides for a monthly income of $1,300. This lease is currently on a month-to-month basis. The Condominium will be required, at its own cost and expense, to provide the lessee with the necessary electric and gas power, hot and cold water and sewage disposal facilities necessary to operate the washing machines, and to clean, paint, and otherwise repair and maintain the laundry room, the cost of which is included in this budget. The laundry room is configured with eight (8) washers and eight (8) dryers. The cost of insurance and of the repair, maintenance and replacement of the laundry equipment will be borne by the lessee. This income is allocated solely to the Residential Unit.

3. Interest Income from Reserve and Working Capital Funds (Budget - $ 0)

No amounts are included for purposes of this budget for any interest income that may be earned by the Condominium from investment of the Reserve Fund and Working Capital Fund. Any interest income earned by the Condominium from the investment of the Reserve Fund and Working Capital Fund may be used to pay operating expenses as determined by the Condominium Board.

4. Salaries, Payroll Taxes and Benefits (Budget - $ 763,347)

The amount budgeted is based on the current staffing level which includes, one (1) full-time resident manager, four (4) full-time doormen, three (3) full-time concierge, two (2) full-time porters and one (1) full-time handyman. The building provides 24 hour doorman service, and 16 hour per day concierge service.

All employees are members of Local 32B-32J Service Employees International Union, AFL-CIO. (the "Union"). For purposes of this budget, the salaries and benefits amounts for the union employees are based on the actual terms of the union contract agreement between the Realty Advisory Board on Labor Relations, Incorporated and the Union. The current union contract expires on April 20, 2006, (except for the resident manager, whose union contract expires on June 20, 2006) at which time salary and benefits are expected to increase, which is included in the budgeted amounts.

The budget for salaries, payroll taxes and benefits are based on the aforementioned staffing, wage rates and benefits over a 52 week annual period. In addition, the budget includes compensation for holiday pay, vacation pay, sick days and personal days, in accordance with the terms of the union contract and length of service for each employee. The key components for this budget item include:

Salary and Wages

Base wages	$ 447,968	
Holiday & Sick pay	$ 45,314	
Vacation pay	$ 21,766	
Overtime and Bonus	$ 23,131	
Total Salary and Wages		$ 538,179

Payroll Taxes and Benefits

FICA and Medicare taxes at 7.65% of wages	$ 41,171	
New York State Unemployment Insurance at 3.1% of first $ 8,500 per employee	$ 2,899	
Federal Unemployment Insurance at .8% of first $ 7,000 per employee	$ 616	
NYS Disability Insurance at .05% of wages	$ 2,691	
Workman Compensation at 4.46% of wages	$ 24,003	
Union Welfare Fund (Health)	$112,977	
Union Pension Fund	$ 31,031	
Union Profit Sharing Fund	$ 5,720	
Union Legal Fund	$ 2,459	
Union Training Fund	$ 1,601	
Total Payroll Taxes and Benefits		$225,168
TOTAL SALARY, PAYROLL TAXES AND BENEFITS		**$763,347**

The employees will be devoting a substantial portion of their time and effort to service the Residential Unit and the Residential Common Elements, except that a portion of the resident manager, handyman, and porters' time (estimated at twenty percent (20%) or eight (8) hours per week per man) will be devoted to the General Common Elements. Accordingly, salaries and related expenses have been primarily allocated to the Residential Unit, except for the time and related costs charged to the General Common Elements ($59,130) which has been apportioned to all Units based upon each Unit's respective Percentage of Common Interest.

5. Fuel Oil (Budget - $ 81,000)

Heat for the building is provided by two (2) dual burning boilers located in the basement which utilize either #2 fuel oil or natural gas. Both heating oil and natural gas are provided by an outside supply company. Heat is provided to the Residential Unit, the Community Facility Unit and the Valet Unit. This budget assumes that the primary source of fuel for the boilers will be #2 fuel oil.

The budget is based on a projected consumption of 46,000 gallons of # 2 heating oil at an estimated cost of $1.76 per gallon, including sales tax of 4.00%. The price per gallon used for budget purposes represents an approximate 10% increase over the average cost per gallon for the year 2005. The consumption and related costs of fuel oil used for heating for the prior three years was as follows:

Year	Fuel Oil Consumption (Gallons)	Total Costs
2002	10,700	$ 10,920
2003	45,658	$ 52,446
2004	47,291	$ 56,606

Due to the uncertainty of future fuel oil prices and future consumption demand due to, among other factors, the severity of weather conditions and conservation measures adopted

by the Board or Unit Owners, it is not possible to predict whether the budgeted amounts will reflect the actual cost for fuel used for heat during the first year of Condominium operation. Although it is believed that adequate provision for increased costs have been reflected in this budget, the actual cost for fuel oil may vary from the budget depending on the aforementioned factors.

Fuel oil costs relate primarily to the Residential Unit and have been apportioned among the Residential Unit, Community Facility Unit and Valet Unit based upon each Unit's relative Percentage of Common Interest.

6. Electric and Gas Budget - $161,700 ($ 117,000 for Electricity, $ 44,700 for Gas)

The budget projection for electric represents the estimated consumption for the general common elements and the residential common elements only, as individual Units are separately metered. Unit Owners shall be responsible for paying for the cost of electrical consumption within their Unit directly to Con Edison.

The budget for common area electricity costs is based on a projected annual consumption of 635,000 kilowatt hours of electricity and an estimated cost of $0.185 per kilowatt hour (based on the Con Edison EL9 rate), which includes sales tax of 8.375%. The price per kilowatt hour used for budget purposes represents an approximate 10% increase over the average cost per kilowatt hour for 2005. The approximate consumption for electricity and the related costs over the prior three years was as follows:

Year	Kilowatt Hours of Electricity	Total Costs
2002	633,600	$ 84,286
2003	652,800	$ 100,656
2004	646,800	$ 96,808

The budget for gas represents the estimated consumption for residential unit domestic cooking, fireplaces, hot water heaters, HVAC unit for residential common elements, and for backup heating for the dual burning boilers. The budget is based on a projected annual consumption of 28,500 therms of gas at an estimated cost of $1.57 per therm which includes sales tax of 8.375% and transportation costs. The price per therm used for budget purposes represents an approximate 10% increase over the average cost per therm for 2005.

The approximate consumption for gas and the related costs over the prior three years was as follows:

Year	Therms of Gas	Total Costs
2002	88,111	$ 66,913
2003	36,932	$ 37,500
2004	27,086	$ 31,681

Due to the uncertainty of future electricity and gas prices and future consumption demand due to, among other factors, the severity of weather conditions and conservation measures adopted by the Board or Unit Owners, it is not possible to predict whether the

budgeted amounts will reflect the actual cost for electricity and gas during the first year of Condominium operation. Although it is believed that adequate provision for increased costs have been reflected in this budget, the actual cost for electricity and gas may vary from the budget depending on the aforementioned factors.

The bulk of these costs relate to the Residential Units only, therefore ninety percent (90%) of the costs have been allocated the Residential Unit and ten percent (10%) has been apportioned to the General Common Elements within the Condominium based upon each Unit's respective Percentage of Common Interest.

7. Water Charges and Sewer Rents (Budget - $47,700)

Water consumption is measured by a master water meter. For the last three years from July 30, 2002 through October 1, 2005 (the date of the latest water meter bill), the building had consumed approximately 33,643 hundred cubic feet (HCF) of water at a total cost of $134,267. Based on the latest water and sewer invoice received from the NYC Department of Environmental Protection, for the quarter ended 10/01/05, water and sewer charges were based on a cost of $4.27 per HCF.

Based on the actual water usage for the past year, water consumption during the first year of operation for the condominium is estimated to be 10,600 HCF. Water and sewer rates for purposes of this budget are projected at $4.50 per HCF, representing a 5% increase over the current actual cost per HCF.

The bulk of these costs relate to the Residential Unit only, therefore ninety percent (90%) of the costs have been allocated the Residential Unit and ten percent (10%) has been apportioned to the General Common Elements within the Condominium based upon each Unit's respective Percentage of Common Interest.

8. Repairs, Maintenance and Supplies (Budget - $ 77,500)

This budget item includes the projected costs of ordinary operating maintenance, repairs and supplies to the Common Elements. No amounts have been budgeted for the costs of maintenance, repairs, decorating, painting and fixtures attributable to the interior of individual units, since the cost for such items will become the responsibility of the Unit Owner. Included in the budget are the following items:

Building supplies (including cleaning materials and supplies, lubricants, bulbs, rubbish bags, and similar items)	$25,000
Uniforms	2,500
Electrical and Plumbing repairs	7,500
Heating System Repairs and Maintenance	5,000
General building repairs and services	20,000
Exterior Window Cleaning	7,500
Permits and fees	10,000
TOTAL	$ 77,500

Building supplies and uniforms have been apportioned in the same manner as labor costs in Note #4 above.

Electrical and plumbing repairs have been apportioned in the same manner as electric and gas costs in Note #6 above.

The heating system repairs and maintenance have been apportioned in the same manner as the heating costs in Note #5 above.

The exterior window cleaning is solely the responsibility of Residential Unit Owners.

The balance of the repair and maintenance costs have been apportioned based upon each Unit's respective Percentage of Common Interest.

9. Service Contracts (Budget - $ 157,800)

The budget projection for the anticipated cost of service contracts includes the following:

Elevator Maintenance
Vendor – Mainco Elevator & Electrical Corp.
5-25 51st Avenue, Long Island City, NY 11101
Expiration Date - January 31, 2009 or on 30 days written prior written notice on anniversary date each year
Current Annual Cost (includes tax) - $ 30,763

Boiler Maintenance
Vendor – Efficient Combustion & Cooling Corp.
563 Broadway, Massapequa, NY 11758
Expiration Date – September 30, 2006
Current Annual Cost (includes tax) - $ 3,457

Vendor – Pence & Beck Planned Maintenance Corp.
15-32 127th Street, College Point, NY 11356
Expiration Date – August 31, 2006
Current Annual Cost (includes tax) - $ 2,709

Boiler Water Treatment Maintenance
Vendor – Gotham Refining Chemical Corp.
23-74 48th Street, Astoria, N.Y. 11103
Expiration Date: Quarter to quarter
Current Annual Cost: (includes tax) - $1,113

Metal & Marble Maintenance
Vendor – PBM/CMSI, Inc.
1466 Broadway (6 Times Square), New York, NY 10036
Expiration Date – Month to Month
Current Annual Cost (includes tax) - $ 5,646 (Metal Maint – Main entrance & elevators)
Current Annual Cost (includes tax) - $ 6,518 (Marble Maint - lobby & elevators)

Exterminating
Vendor – Master Eliminator Pest Control
939 Chestnut Ridge Rd. Chestnut Ridge, NY 10977
Expiration Date - Month to Month
Current Annual Cost (includes tax) - $ 2,737

HVAC – (Lobby, Elevator Machine Room, Roof/Hallways)
Vendor – Schwarz A/C, LLC.
60 N. Prospect Avenue, Lynbrook, NY 11563
Expiration Date – month-to-month
Current Annual Cost (includes tax) - $ 5,653

HVAC – Residential Units
Vendor – Schwarz A/C, LLC.
60 N. Prospect Avenue, Lynbrook, NY 11563
Expiration Date – month-to-month
Current Annual Cost (includes tax) - $ 13,687

Security Services
Vendor – ADT Security Services, Inc.
335 West 16th Street, New York, NY 10011
Expiration Date – September 10, 2008
Current Annual Cost (includes tax) - $ 19,370

Fire Alarm
Vendor – Casey Systems.
209 Lafayette Drive, Syosset, NY 11791
Expiration Date – September 1, 2005
Current Annual Cost (includes tax) - $ 7,261

Health Club Pool Management
Vendor – EPG Spa & Pool Management
530 East 76th Street, New York, NY 10021
Expiration Date – 90 day automatic renewals, unless cancelled by either party upon 90 days prior written notice
Current Annual Cost (includes tax) - $ 50,000

Key Machine
Vendor – Keytrak, Inc.
P.O. Box 4346, Dept 663, Houston, TX 77210-4346
Expiration Date – June 2006
Current Annual Cost (includes tax) - $ 852

Sprinkler & Compactor Systems
Vendor – Rael Sprinkler Maintenance Corporation
601 Merrick Road, Lynbrook, NY 11563
Expiration Date – August 31, 2006
Current Annual Cost (includes tax) - $ 526

For purposes of this budget projection, the cost for service contracts reflects a five percent (5%) increase over the actual current annual costs for such services.

Sponsor may, prior to the Closing Date, modify, renew or replace the existing service contracts and enter into new contracts that will be binding on the Condominium. However, Sponsor may not enter into any service contract after this Plan is presented that will materially increase the estimated service contract costs for the first year of Condominium operation without disclosing such changes in an amendment to the Plan.

The elevator, key machine, pool, exterminating, metal and marble and HVAC service contracts are solely the responsibility of Residential Unit Owners.

The boiler and water treatment service contracts had been apportioned in the same manner as the heating costs in Note #5 above.

The balance of the service contracts have been apportioned based upon each Unit's respective Percentage of Common Interest.

10. Insurance (Budget - $ 112,000)

The insurance premiums are based on a letter from Haskell Brokerage Corp, 45 John Street, New York, N.Y. 10038, dated August 16, 2005, that sets forth the following coverage that is recommended for the Condominium :

Coverage & Perils	Amounts and Limits
A. Property	
Real Property / Building - "All Risks" $10,000 deductible, Special Form, Agreed Value, Replacement Cost, No co-insurance,	$ 48,100,000
Rents	$ 1,600,000
Flood / Earthquake, $ 25,000 deductible	$ 5,000,000
Personal Property $10,000 deductible	$ 150,000
Ordinance or Law	Included
Boiler & Machinery	Included
B. Liability	
Each occurrence	$ 1,000,000
Aggregate	$ 2,000,000
Non owned / Hired car liability	$ 1,000,000
Water Damage Legal Liability & Elevator Collision Liability	Included
C. Umbrella Liability	
Each occurrence and aggregate	$ 125,000,000
D. Directors and Officers Liability	
$ 1,000 retention, claims made basis	$ 1,000,000

E. Employee Dishonesty (Fidelity Bond)

$ 1,000 Deductible	$ 100,000
Managing agents rider	Included

The total premium for these various coverages is estimated at $112,000 per annum, based on current market rates. Because the conditions in the insurance market place may change, the actual insurance premiums for the first year of Condominium operation may vary from the budget.

The coverage included in this budget does not include claims for personal injury or property damage resulting from occurrences in individual Units, nor does it include coverage of the contents in individual Units and any replacements, additions, fixtures, furniture and improvements made therein. Each Unit Owner will be responsible for the cost of obtaining this coverage.

The term "special form" indicates that the property insurance policy described in this section will cover all insurable claims except for those claims specifically excluded under the policy. The policy excludes coverage for mold, pollution, contamination and asbestos.

The insurance carried by the Condominium will provide (a)that each Unit Owner is an additional insured party, (b) provide that there will be no cancellation without notice to the Board of Managers, and (c) permit the Condominium to waive subrogation.

No representation is made that terrorism insurance will be available, or if available, at what cost, at the time the insurance policy is placed for the Condominium

The Insurance costs are for the entire Condominium and have been apportioned to all Units within the Condominium based upon each Unit's respective Percentage of Common Interest.

11. Management Fees (Budget - $ 75,000)

The Condominium will enter into a management agreement with Classic Realty LLC (the "Managing Agent") , located at 400 Park Avenue, New York, N.Y. 10022, for an annual fee of $75,000. The managing agent fee for the first year of Condominium operation is comparable to the fees charged for such services at similar properties. The principals of the Sponsor are affiliated with the Managing Agent. The management agreement will be for an initial term of two years. See section of the Plan entitled "Management Agreement" for a complete discussion of the terms of the management agreement.

The Management Fees are for the entire Condominium and have been apportioned to all units within the Condominium based upon each Unit's respective Percentage of Common Interest.

12. Legal and Audit Fees (Budget - $ 25,000)

It is anticipated that the Condominium will engage a law firm to provide general legal services to the Condominium. The estimated cost for legal services during the first year of Condominium operation is $15,000.

It is also anticipated that the Condominium will enter into an agreement with Newman, Newman & Kaufman, LLP, Certified Public Accountants, 575 Underhill Blvd. – Suite 100, Syosset, New York 11791, to provide auditing, financial statement preparation and tax return services for the Condominium. The estimated cost for these services during the first year of Condominium operation is $10,000.

The Legal and Audit fees are for the entire Condominium and have been apportioned to all units within the Condominium based upon each unit's respective Percentage of the Common Elements.

13. Resident Manager Unit Costs (Budget - $ 92,223)

It is anticipated that the resident manager for the Condominium will occupy and reside in Unit 11G. At or subsequent to the Closing Date, Unit 11G will be purchased by the Condominium on behalf of the Unit Owners for a purchase price of $1,140,000.

Resident Manager Unit Costs will include the cost of utilities, real estate taxes, costs of financing for the purchase of the Unit, and the costs of repair, alteration and improvement undertaken by the Condominium.

It is anticipated that at the closing of title to the Resident Manager's Unit, the Condominium will pay the purchase price by executing and delivering one or more purchase money note(s) in the aggregate amount of up to $1,140,000 (100% of the purchase price) secured by one or more mortgages on the Unit. The note(s) will bear interest at the then prevailing rate of interest and will provide for the payment of equal installments of monthly interest and require a balloon payment (assuming no defaults thereunder) on its maturity date which will be five years after the closing. At maturity, the Condominium will have to repay or refinance the unpaid principal balance (together with any accrued and unpaid interest).

For purposes of this budget, an interest rate of seven percent (7.0%) is assumed on the note, which equates to an annual payment of $79,800. No assurances or representations are made that the prevailing interest rates in effect at the time the Resident Manager's Unit loan is obtained will be the rate projected in this budget.

At Sponsor's option, Sponsor may, on behalf of the Condominium, obtain institutional financing for the purchase of the Resident Manager's Unit. Sponsor will amend the Plan to disclose the terms of any institutional financing.

The Condominium will also be responsible for the real estate taxes on the Resident Manager Unit. It is projected that the real estate tax for the first year of operation will be $8,002.

In addition, the Condominium will be responsible for the cost of electricity and basic telephone service for the Resident Manager's Unit. It is estimated that the cost for such items will aggregate $4,421 for the first year of operation.

The estimated costs for the Resident Manager's Unit for the first year of operation is estimated at $92,223.

Since the Resident Manager's time will be mostly devoted to the service of the Residential Unit and the Residential Common Elements, with only a portion of his time (estimated as twenty percent (20%)) devoted to the General Common Elements, the costs for the Resident Manager's Unit have been allocated in the same ratio as the wage and related payroll expenses of the Resident Manager in Note #4 above.

14. Administration (Budget - $ 21,900)

This budget line item provides a fund for miscellaneous expenses to be incurred for general administrative costs for the Condominium, including postage, printing, messenger, copying, telephone and other related items. The estimated cost for administrative expenses for the first year of operation is $21,900, which is comprised of :

Telephone	$12,000
Payroll Processing Fees	$3,900
Postage, Messenger & Printing	$3,000
Bank Charges	$500
Other	$2,500
Total:	$21,900

Telephone costs relate to the Residential Units only and have been allocated 100% to the Residential Unit.

Payroll processing costs have been apportioned in the same manner as labor costs in Note #4 above.

All other administrative expenses have been apportioned to all Units within the Condominium based upon each Unit's respective Percentage of Common Interest.

15. Contingency Reserve (Budget - $ 25,000)

The contingency reserve budget line item is to provide for possible expenses not included in the budget or possible increases in one or more items of expense. The budget may be modified from time to time prior to the commencement of, or during Condominium operation, to add new items of operating expenses or to increase or decrease one or more items of expense. The funds for any such budget modifications may be provided for by decreasing the contingency reserve or by decreasing one or more items of operating expenses, or both.

The contingency reserve does not include costs or expenses associated with capital expenditures, for which no provision is made under this operating budget.

There will be a Reserve Fund for capital repairs, replacements and improvements in an amount to be determined at the time the Plan is declared effective in accordance with the New York City Reserve Fund Law.

In addition, the Sponsor will advance an initial Working Capital Fund in the amount of $25,000. The Working Capital Fund will be used to pay for the closing costs associated with

the purchase of the Resident Manager's Unit as well as to pay reimbursements and/or apportionments in favor of Sponsor. The Working Capital Fund will be funded by Purchaser as and when Units close in an amount equal to two month's projected Common Charges. The payments into the Working Capital Fund will first be applied to reimburse Sponsor the initial $25,000 advanced to establish the Working Capital Fund.

See sections entitled "Reserve Fund" and "Working Capital Fund and Apportionments" in Part I for a full discussion of these funds.

The contingency costs are for the entire Condominium and have been apportioned to all Units within the Condominium based upon each Unit's respective Percentage of the Common Interest.

16. Total Projected Expenses (Budget - $ 1,640,170)

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

IN THE OPINION OF DIVERSIFIED VALUATION GROUP, THE SPONSOR'S BUDGET EXPERT, THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED OPERATING EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE BUDGET, HOWEVER, IS NOT INTENDED, AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF CONDOMINIUM OPERATION BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IT IS LIKELY THAT THE ACTUAL RESULTS OF INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

Diversified Valuation Group

REAL ESTATE APPRAISERS AND CONSULTANTS

60 East 42nd Street, Suite 1446, New York, NY 10165-1437
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Kurt M. Polinsky, MAI
Sr. Vice President
NYS General Certification #46000000010

PART 20: LETTER TO ATTORNEY GENERAL
RE: REAL PROPERTY LAW SECTION 339-i.1 COMPLIANCE

September 20, 2005

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

Re: Condominium Offering Plan
Wellington Tower Condominium
350 East 82nd Street
New York, New York ("Property")

Dear Sir/Madam:

Wellington Fee LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Diversified Valuation Group ("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/appraisal firm in the State of New York. The principals of the Firm have been engaged in the real estate appraisal and brokerage business for over fifty (50) 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) in the approximate proportion that the floor area of the Unit at the date of the declaration bears to the then aggregate floor area of all the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements (ii).

In the Firm's opinion, within the framework of Real Property Law Section 339-i.1, 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,

DIVERSIFIED VALUATION GROUP

By: _____
Name: Dominick S. Pompeo
Title: President

COMMERCIAL UNITS

The four (4) Commercial Units are sometimes, collectively, referred to in this Plan as "Commercial Units" and each one as a "Commercial Unit." These Units consist of the following:

The Retail Unit will consist of approximately 13,939 square feet and is located on portions of the cellar and first floors of the Building as shown on the Floor Plans. It is currently leased to New York First Avenue CVS, Inc. and utilized as a pharmacy and convenience store pursuant to a lease which expires on September 30, 2018.

The Community Facility Unit will consist of approximately 14,254 square feet and is located on portions of the first and second floors of the Building as shown on the Floor Plans. It is currently leased to Dr. Cecilia McCarton (The McCarton Center) and utilized as offices for physicians and other providers of therapeutic services for children pursuant to a lease which expires on January 31, 2022.

The Garage Unit will consist of approximately 13,000 square feet and is located on portions of the cellar and first floor of the Building. It is currently leased to East 82nd Street Garage LLC and utilized as a public parking garage pursuant to a lease which expires on January 31, 2019. There is access from the interior of the Building to the Garage Unit. There is no requirement that parking spaces in the garage be made available to Building residents.

The Valet Unit will consist of approximately 96 square feet and is located on a portion of the first floor adjacent to the lobby, as shown on the Floor Plans. It is currently leased to Swiss Hotel Service LLC and utilized as an office for valet service pursuant to a lease which expires on April 30, 2009.

The Commercial Units are not being offered for sale pursuant to the Plan. The Sponsor, however, reserves the right to offer the Commercial Units for sale at any time.

All or any part of the Commercial Units may be leased or subleased by the Sponsor or respective Commercial Unit Owners, subject to compliance with Law and without the consent or right of first refusal by the Condominium Board. The Commercial Units may be subdivided by the Sponsor or respective Commercial Unit Owners and then offered for sale without prior notice or amendment to the Plan.

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

As set forth in the Certification of Budget Expert concerning Adequacy of Common Charges payable by the Commercial Unit Owners, included in Part II of the Plan, the Common Charges payable by each Commercial Unit Owner are sufficient to cover the expenses fairly attributable to such Unit.

No representation is made with respect to the continued ownership by Sponsor of all or any portion of any Commercial Unit or who the future owners or tenants of any portion of any of the Commercial Units may be at any time or as to the uses to which any portion of any Commercial Unit may be put at any time except that the Commercial Units may be used for any lawful purpose.

The following is a summary of certain additional rights and obligations of the Commercial Unit Owners relating to the use and ownership of the Commercial Units, which will not have a material adverse impact upon the Condominium:

(i) the Commercial Units may be used for any legally permitted purposes. No assurance, representation, or warranty is given that any tenants, occupants, or uses of the Commercial Units will not be objectionable to Residential Unit Owners or other parties.

(ii) the Commercial Unit Owners and each of their tenants, licensees, occupants and the holders of any mortgage on the Commercial Units, shall have the right, without the approval of the Condominium Board, the Managing Agent, the Residential Unit Owners, or representatives of holders of mortgages on Residential Units to make alterations, additions, improvements, or repairs in or to the Commercial Units, including, without limitation, to the exterior façade and store fronts appurtenant to such Commercial Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and to subdivide the Commercial Units, however, in no event shall such alterations, additions, improvements or repairs affect the structural integrity or mechanical systems of the Condominium;

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

(iv) the Commercial Unit Owners and each of their tenants, invitees, contractors, employees, agents, licensees, occupants and the holder of any mortgage on the Commercial Units shall have easements, without consent of the Condominium Board and without charge or fee: (i) for ingress and egress through the General Common Elements and the Residential Common Elements for the sole purpose of accessing any portion of the Commercial Units or any portions of the Building servicing the Commercial Units, (ii) to erect, use, lease, license, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment on any part of the Commercial Units and on the roofs and façade of the Building which are General Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panel rooms, telephone/cable panels and rooms in connection therewith, including the exclusive right to lease or license such facilities and to receive rent or other consideration for such lease or license; and (iii) to install, maintain, use, repair, and replace pipes, risers, ducts, flues and equipment necessary for providing heat, air-conditioning, exhaust or ventilation on any part of the Commercial Units and on the roofs and façade of the Building and on General Common Elements.

(v) the Condominium Documents may not be amended or modified so as to adversely affect the rights granted therein to the Commercial Unit Owners without the prior written consent of the affected Commercial Unit Owners;

(vi) the Commercial Unit Owners and their tenants, invitees, contractors, employees, agents, licensees, occupants and the holder of any mortgage on the Commercial Units, shall have an easement to erect, maintain, repair and replace on the Property (including, but not limited to, the exterior walls of the Building) (a) lights and lighting fixtures; and (b) any sign permitted by Law for the purpose of advertising the sale or lease of any portion of the Commercial Units and the operation of any business of a Commercial Unit Owner or tenant or occupant of any portion of the Commercial Units;

(vii) the Commercial Unit Owners shall have the right to sell or lease the Commercial Units without complying with any right of first refusal contained in the Declaration or By-Laws pertaining to Residential Units;

(viii) notwithstanding any future subdivision of the Commercial Units, the Owners of all Commercial Units shall have the right, collectively, to designate two members to the Condominium Board; and

(ix) a member of the Condominium Board designated by the Commercial Unit Owners may only be removed by the Commercial Unit Owners who alone will have the right to elect or designate a replacement.

CHANGES IN PRICES AND UNITS

Sponsor may change offering prices by amendment to the Plan when the change in price: (i) is an across the board increase or decrease affecting one or more lines of Residential Units, or (ii) is to be advertised, or (iii) is a price increase for an individual Purchaser (other than Tenant-Purchasers until the effective date of the Plan). However, 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 change in the general offering or an advertised price but is rather the result of an individually negotiated transaction.

The Purchase Prices to Existing Tenants set forth in Schedule A will not increase during any Exclusive Purchase Period nor will Sponsor accept Purchase Agreements from non-occupant Purchasers for occupied Residential Units during any Exclusive Purchase Period. Unless it would constitute a discriminatory inducement, Sponsor reserves the right, at any time and from time to time, without giving prior notice (except as otherwise provided herein) and without the consent of any member of the Condominium Board, the Condominium, or its agents or any Residential Unit Owner or mortgagee, to individually negotiate terms of sale with Purchasers (other than Tenant-Purchasers until the effective date of the Plan) with respect to the Purchase Agreement including, without limitation, changing the price, the manner of payment thereof and other terms of sale of any Residential Unit. 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. However, such price change shall not alter the Common Interest or the amount of the Common Charges payable by the owners of such Residential Units.

After the Plan is declared effective, Sponsor reserves the right to enter into a negotiated agreement with an individual Tenant-Purchaser to sell one or more Residential Units at prices lower than and terms different than those in effect from time to time without filing an amendment to the Plan. Sponsor reserves the right to negotiate with each Purchaser of an Unsold Residential Unit the following terms and conditions of the Purchase Agreement: 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; the availability of Common Charge rebates, purchase price rebates and subsidies payable as a credit against the purchase price or on a periodic basis; extensions of time periods within which to perform obligations under the Purchase Agreement; the availability of interim leases and the amount of interim rent thereunder; and the application of interim rent towards the purchase price. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers by duly filed amendment to the Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any right of rescission under a Purchase Agreement. In the event Sponsor agrees, in its sole discretion, to enter into an interim lease for a Residential Unit, Purchasers are advised that the tenancy under such interim lease is subject to governmental regulation as to amount of rent and terms and that a default under the interim lease will constitute a default under the Purchase Agreement.

The location in the Building, size, layout and approximate square footages of the Residential Units are shown on the Floor Plans set forth in Part II of the Plan. In order to meet the possible varying demand for number and type of 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, without giving prior notice and without the consent of any member of the Condominium Board, the Condominium, its agents or any Residential Unit Owner or mortgagee (unless directly affected by such change), to (a) change the layout of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Residential Units by dividing one or more such Residential Units into two or more separate Residential Units, combining separate Residential Units (including those resulting from such subdivision or otherwise) into one or more Residential Units, altering any boundary walls between one or more Residential

Units, or otherwise, including incorporating Residential 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 as part of a newly created Residential Unit or designate all or part of a Residential Unit as a newly created Residential Unit or Residential Common Element, (d) incorporate and enclose Residential Limited Common Elements within a Residential Unit, (e) if appropriate, reapportion among the Residential Units affected by any such change, their respective Common Interests and/or Residential Common Interests, and (f) make non-material change in the size or quality of Common Elements. In the event of any change pursuant to either (b), (c), (d) or (e) above, such change shall be disclosed in a duly filed amendment to the Plan and to the Declaration, if applicable. No material change will be made in Unit size, layout or percentage of Common Interests without the consent of the Purchaser with respect to any Residential Unit for which a Purchase Agreement is then in effect 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 unless Purchasers not in default receive a right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right. Sponsor will return any Deposit promptly to Purchasers who rescind. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing his Residential Unit and will not have any claim against Sponsor as a result of any such change and will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon.

Unless prohibited by Law, Sponsor will have the right (with the consent of any Unit Owner affected by such change) to amend or to cause the Condominium Board to amend the Declaration, By-Laws and Floor Plans at Sponsor's cost and expense, to reflect any such change and to file such amendment and any necessary plans and specifications in connection therewith.

So long as the layout dimensions, allocation of Common Interest and square footage of a Residential Unit conform substantially to the Floor Plans, a Purchaser who is a party to a binding Purchase Agreement shall not be excused from purchasing his Residential Unit and shall not have any claim therefor against the Sponsor by virtue of any insubstantial change or discrepancy in the Floor Plans.

Sponsor reserves the right, without prior notice or amendment to the Plan and without payment of any rent or other charge to use Unsold Residential Units or Commercial Units on any floor of the Building and certain areas on the seventh floor of the Building currently designated as the business center and the cinema room as sales, leasing or management offices and model apartments for the Building and any other building in which principals of Sponsor have an interest. In the event Sponsor thereafter elects to sell any such Unsold Units, Sponsor may require the Purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the purchase price for such Residential Unit.

ACCOUNTANT'S CERTIFIED STATEMENTS OF OPERATION

WELLINGTON TOWER ASSOCIATES LP
AND WELLINGTON FEE LLC

COMBINED STATEMENTS OF OPERATING
INCOME AND CERTAIN OPERATING EXPENSES

DECEMBER 31, 2004 AND 2003

WELLINGTON TOWER ASSOCIATES LP AND WELLINGTON FEE LLC
COMBINED STATEMENTS OF OPERATING INCOME AND CERTAIN OPERATING EXPENSES

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Weiser LLP
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INDEPENDENT AUDITORS' REPORT

To the Partners of
Wellington Tower Associates LP
(A Limited Partnership)

We have audited the accompanying combined statements of operating income and certain operating expenses of Wellington Tower Associates LP and Wellington Fee LLC for the years ended December 31, 2004 and 2003. The financial statements are the responsibility of the management of Wellington Tower Associates LP and Wellington Fee LLC. Our responsibility is to express an opinion on the combined statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the combined financial statements. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2, these combined financial statements were prepared for inclusion in a proposed plan to convert the Property to condominium ownership and are not intended to be a complete presentation of Wellington Tower Associates LP and Wellington Fee's income and expenses.

In our opinion, the combined statements of operating income and certain operating expenses referred to above present fairly, in all material respects, the operating income and certain operating expenses described in Note 2 of Wellington Tower Associates LP and Wellington Fee LLC for the years ended December 31, 2004 and 2003, in conformity with accounting principles generally accepted in the United States of America.

Weiser LLP
Certified Public Accountants

New York, New York
June 10, 2005

A member of Moores Rowland International, a worldwide association of independent accounting firms

WELLINGTON TOWER ASSOCIATES LP
(A Limited Partnership)
COMBINED STATEMENTS OF OPERATING INCOME AND CERTAIN OPERATING EXPENSES

	For the Years Ended December 31,	
	2004	2003
Operating Income:		
Residential rental income	$ 6,244,933	$ 6,073,271
Commercial rental income	1,791,739	1,776,589
Commercial water escalation income	797	1,056
Laundry income	18,000	15,400
Other income	39,632	38,112
Total Operating Income	8,095,101	7,904,428
Certain Operating Expenses:		
Salaries, payroll taxes and benefits	622,687	589,207
Fuel oil	63,051	52,446
Electricity and gas	134,439	136,283
Water and sewer	34,041	39,700
Repairs, maintenance and supplies	248,181	192,778
Insurance	127,544	144,891
Management fees	307,284	321,555
Professional fees	56,816	37,033
Administrative expenses	17,598	30,356
Total Certain Operating Expenses	1,611,642	1,544,249
Excess of Operating Income Over Certain Operating Expenses	$ 6,483,459	$ 6,360,179

See notes to statements of income and certain expenses.

WELLINGTON TOWER ASSOCIATES LP AND WELLINGTON FEE LLC
NOTES TO COMBINED STATEMENTS OF OPERATING INCOME AND
CERTAIN OPERATING EXPENSES
DECEMBER 31, 2004 AND 2003

Note 1 – Organization

The accompanying combined statements reflect the operating income and certain operating expenses of the residential property located at 360 East 82nd Street, New York, New York (the "Property").

Note 2 – Basis of Presentation

The accompanying combined statements of operating income and certain operating expenses were prepared for inclusion in a proposed plan to convert the Property to condominium ownership and are not intended to be a complete presentation of the Property's income and expenses. The combined statements have been prepared in accordance with accounting principles generally accepted in the United States of America on the accrual basis, except that the combined statements do not reflect charges for (i) depreciation, (ii) interest expense, (iii) vacant apartment rental expenses including: advertising, commissions, renovation and improvement costs, (iv) costs incurred to repair, maintain and improve individual occupied apartments, (v) legal fees incurred in connection with landlord/tenant litigation,(vi) real estate taxes (vii) straight lining rental income under long term leases, (viii) real estate tax escalation income and (ix) insurance premiums paid in connection with commercial premises.

Note 3 – Summary of Significant Accounting Policies

a) Income Taxes

No provision or benefit has been made for income taxes in the accompanying financial statements since taxable income or loss passes through to, and is reportable by, the partners individually.

b) Rental Income

Rental income is accrued as due under the terms of the related leases. Leases are generally for a period of one to two years for the residential leases and more than two years for the commercial leases.

c) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d) Reclassifications

Certain prior year amounts have been adjusted and reclassified to conform to the current year's presentation. Real estate tax escalation income in the amount of $458,618 for the year ended December 31, 2003 has been removed from other income. Accounting fees in the amount of $21,173 for the year ended December 31, 2003 have been added to professional fees.

WELLINGTON TOWER ASSOCIATES LP AND WELLINGTON FEE LLC
NOTES TO COMBINED STATEMENTS OF OPERATING INCOME AND
CERTAIN OPERATING EXPENSES
DECEMBER 31, 2004 AND 2003

Note 4 – Real Estate Taxes

Real estate taxes for the Property have been excluded from the accompanying statements; the actual and transitional assessed valuations for the Property for 2003, 2002, 2001 and 2000 were as follows:

Fiscal Year	Actual Valuation	Transitional Valuation	Exemption	Tax Rate	Net Tax
2003/04	$ 22,410,000	$ 22,572,000	$ 15,755,722	12.620%	$ 839,770
2002/03	22,365,000	22,275,862	19,566,551	11.541%	312,682
2001/02	23,175,000	21,920,998	19,227,656	10.792%	290,665
2000/01	21,780,000	21,399,753	18,729,867	10.847%	289,603

Note 5 – Management Fees

Management fees were paid to an affiliated company.

WELLINGTON TOWER ASSOCIATES LP
(A LIMITED PARTNERSHIP)

STATEMENTS OF OPERATING INCOME AND
CERTAIN OPERATING EXPENSES

DECEMBER 31, 2003 AND 2002

WELLINGTON TOWER ASSOCIATES LP
(A LIMITED PARTNERSHIP)
STATEMENTS OF OPERATING INCOME AND CERTAIN
OPERATING EXPENSES

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Weiser LLP
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Partners of
Wellington Tower Associates LP
(A Limited Partnership)

We have audited the accompanying statements of operating income and certain operating expenses of Wellington Tower Associates LP for the years ended December 31, 2003 and 2002. The financial statements are the responsibility of the management of Wellington Tower Associates LP. Our responsibility is to express an opinion on the statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2, these financial statements were prepared for inclusion in a proposed plan to convert the Property to condominium ownership and are not intended to be a complete presentation of Wellington Tower Associates LP income and expenses.

In our opinion, the statements of operating income and certain operating expenses referred to above present fairly, in all material respects, the operating income and certain operating expenses described in Note 2 of Wellington Tower Associates LP for the years ended December 31, 2003 and 2002, in conformity with accounting principles generally accepted in the United States of America.

Weiser LLP
Certified Public Accountants

New York, New York
September 28, 2004

A member of Moores Rowland International, a worldwide association of independent accounting firms

WELLINGTON TOWER ASSOCIATES LP
(A Limited Partnership)
STATEMENTS OF OPERATING INCOME AND CERTAIN OPERATING EXPENSES

	For the Years Ended December 31,	
	2003	2002
Operating Income:		
Rental income	$ 7,451,200	$ 7,254,150
Other income	911,846	618,275
Total Operating Income	8,363,046	7,872,425
Certain Operating Expenses:		
Salaries, payroll taxes and benefits	589,207	530,118
Fuel oil	52,446	10,920
Electricity and gas	136,284	155,193
Water and sewer	39,700	46,690
Repairs, maintenance and supplies	192,775	248,650
Insurance	144,891	64,223
Management fees	321,555	329,099
Professional fees	15,860	3,500
Administrative expenses	30,357	34,616
Total Certain Operating Expenses	1,523,075	1,423,008
Excess of Operating Income Over Certain Operating Expenses	$ 6,839,971	$ 6,449,417

See notes to statements of income and certain expenses.

WELLINGTON TOWER ASSOCIATES LP
(A Limited Partnership)
NOTES TO STATEMENTS OF OPERATING INCOME AND
CERTAIN OPERATING EXPENSES
DECEMBER 31, 2003 AND 2002

Note 1 – Organization

The accompanying statements reflect the operating income and certain operating expenses of the residential property located at 360 East 82nd Street, New York, New York (the "Property").

Note 2 – Basis of Presentation

The accompanying statements of operating income and certain operating expenses were prepared for inclusion in a proposed plan to convert the Property to condominium ownership and are not intended to be a complete presentation of the Property's income and expenses. The statements have been prepared in accordance with accounting principles generally accepted in the United States of America on the accrual basis, except that the statements do not reflect charges for (i) depreciation, (ii) interest expense, (iii) vacant apartment rental expenses including: advertising, commissions, renovation and improvement costs, (iv) costs incurred to repair, maintain and improve individual occupied apartments, (v) legal fees incurred in connection with landlord/tenant litigation and (vi) real estate taxes.

Note 3 – Summary of Significant Accounting Policies

a) Income Taxes

No provision or benefit has been made for income taxes in the accompanying financial statements since taxable income or loss passes through to, and is reportable by, the partners individually.

b) Rental Income

Rental income is accrued as due under the terms of the related leases. Leases are generally for a period of one to two years for the residential leases and more than two years for the commercial leases.

c) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

WELLINGTON TOWER ASSOCIATES LP
(A Limited Partnership)
NOTES TO STATEMENTS OF OPERATING INCOME AND
CERTAIN OPERATING EXPENSES
DECEMBER 31, 2003 AND 2002

Note 4 – Real Estate Taxes

Real estate taxes for the Property have been excluded from the accompanying schedules, the actual and transitional assessed valuations for the Property for 2003, 2002, 2001 and 2000 were as follows:

Fiscal Year	Actual Valuation	Transitional Valuation	Exemption	Tax Rate	Net Tax
2003/04	$ 22,410,000	$ 22,572,000	$ 15,755,722	12.620%	$ 839,770
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2001/02	23,175,000	21,920,998	19,227,656	10.792%	290,665
2000/01	21,780,000	21,399,753	18,729,867	10.847%	289,603

Note 5 – Management Fees

Management fees were paid to an affiliated company.

RIGHTS OF EXISTING TENANTS

Each "Bona-Fide Tenant" shall have the exclusive right for a period of ninety (90) days from the Presentation Date of the Plan (the "Exclusive Purchase Period") within which to purchase the Residential Unit such Purchaser occupied on the Filing Date of the Plan at the Purchase Price set forth in Schedule A, during which time the Bona-Fide Tenant's Residential Unit shall not be shown to a third party unless the Bona-Fide Tenant has, in writing, waived his or her right to purchase. In order to exercise this exclusive right to purchase, the Bona-Fide Tenant must deliver an unaltered, signed Purchase Agreement and the required Deposit to the Selling Agent during the Exclusive Purchase Period. Sponsor has agreed that during the Exclusive Purchase Period or any subsequent exclusive purchase period granted to Bona-Fide Tenants, the purchase prices to be paid by Bona-Fide Tenants will not be increased nor will the Sponsor accept Purchase Agreements from non-occupant Purchasers for occupied Residential Units, unless the Bona Fide Tenant of such occupied Unit has waived, in writing, such Tenant's right to purchase the Unit.

The term "Bona-Fide Tenant" shall include: (a) a bona-fide tenant in occupancy on the Filing Date; (b) a bona-fide tenant with the right to renew a lease on the Filing Date; (c) a bona-fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona-fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Residential Unit or the Residential Unit is not the tenant's primary residence; and (e) a bona-fide sublessee in occupancy on the Filing Date, if such sublessee sublets from a non-bona-fide tenant, or has obtained written permission to purchase the Residential Unit from the bona-fide tenant of record.

The term "Bona-Fide Tenant" shall not include the estate or legal representative of a Bona-Fide Tenant who was in occupancy of a Residential Unit on the Filing Date and who died on or after the Filing Date without having previously tendered a Purchase Agreement in compliance with the terms hereof.

All of the apartments in the Building are subject to the Rent Stabilization Law and the regulations promulgated pursuant thereto ("Rent Laws") solely by virtue of the Building's participation in the real estate tax benefits program under section 421-a of the Real Property Tax Law ("Section 421-a Benefits"). Pursuant to the section 421-a program, the apartments in the Building are subject to the Rent Laws until the expiration of the Section 421-a Benefits on June 30, 2011 ("Section 421-a Expiration Date") or upon the expiration of the applicable provisions of the Rent Laws, if sooner. A Non-Purchasing Tenant in occupancy of an apartment in the Building on the Section 421-a Expiration Date, whose lease expires after the Section 421-a Expiration Date, will be permitted by law to remain in the apartment until the expiration date of the lease then in effect, at the rent set forth therein. However, upon the expiration of such lease, in accordance with GBL Section 352-eeee (set forth in Part II of the Plan), any renewal lease offered to such tenant will no longer be subject to the Rent Laws. See the Sections of the Plan entitled "Rights of Existing Tenants" and "Real Estate Tax Exemption Benefits" for further information.

THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP.

The following summary of rights of existing tenants is set forth in accordance with Section 352-eeee of New York State General Business Law (the "GBL"), a copy of which is set forth in Part II of the Plan. Bona fide tenants in occupancy derive substantial protections under the GBL.

The term "Non-Purchasing Tenant" means a person who has not purchased a Residential Unit pursuant to the Plan and who is a tenant entitled to possession at the time the Plan is declared effective. A person who sublets a Residential Unit from "a Purchaser under the Plan" (as such term is defined in the GBL) shall not be deemed a Non-Purchasing Tenant.

(A) No eviction proceedings may be commenced at any time after the Effective Date against Non-Purchasing Tenants for failure to purchase; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner, failure to maintain the premises as a primary residence, or any other breach of lease by the Non-Purchasing Tenant of his leasehold obligations to the owner of the Residential Unit; and provided further that an owner of a Residential Unit may not commence an action to recover possession from a Non-Purchasing Tenant on the grounds that he seeks the Residential Unit for the use and occupancy of himself or his family.

(B) Non-Purchasing Tenants who resided in Residential Units subject to government regulation as to rentals and continued occupancy prior to the conversion of the Building to condominium ownership shall continue to be subject thereto. Nothing contained herein shall be deemed to extend greater rights to a Non-Purchasing Tenant than such tenant would have had if the Building had not been converted to condominium ownership, except as otherwise provided in subparagraph (C) below.

(C) The rents of Non-Purchasing Tenants who reside in Residential Units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the Filing Date shall not be subject to unconscionable increases beyond rental amounts charged for comparable Residential Units during the period of their occupancy. In determining comparability, consideration will be given to such factors as location of the Building and of the Residential Unit within the Building, amenities and building services, level of maintenance and operating expenses. Non-Purchasing Tenants are advised that complaints of unconscionable rent increases may be referred to the New York State Department of Law, Investment Protection Bureau at 120 Broadway, New York, New York 10271. Non-Purchasing Tenants may be subject to rent increases as the result of major capital improvements ("MCI") made by Sponsor, the Condominium or Purchasers of Residential Units occupied by such Non-Purchasing Tenants. Under current Law, Sponsor is not entitled to seek a MCI rent increase to the extent Sponsor has taken a credit against the Reserve Fund as the result of such MCI. (See the Section of the Plan entitled "Reserve Fund" for further details.)

(D) The Plan may not be amended at any time to provide that it shall be an eviction plan.

(E) The rights granted under the Plan to Purchasers under the Plan (as such term is defined in the GBL) and to Non-Purchasing Tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, the GBL.

(F) Building-wide services shall be managed on behalf of all Residential Units (including those occupied by Non-Purchasing Tenants) by the same Managing Agent who manages all other Residential Units in the Building. Such Managing Agent will provide to Non-Purchasing Tenants all services and facilities required by Law on a non-discriminatory basis.

(G) It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his Residential Unit or the Facilities related thereto. The Attorney General may apply to a court of competent jurisdiction for an order restraining such conduct and, if the Attorney General deems it appropriate, an order restraining the owner from selling the Residential Unit. Nothing contained in the GBL shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

(H) Any provision of a lease or other rental agreement which purports to waive a Non-Purchasing Tenant's rights under the GBL or Residential Rules and Regulations promulgated pursuant to the GBL shall be void as contrary to public policy.

(I) Tenants or their representatives, upon reasonable advance notice, may inspect the Property physically at any time subsequent to the submission of the Plan to the Department of Law, during normal business hours upon written request made by them to Sponsor.

Subsequent to the First Closing under the Plan, for each original sale of a Residential Unit by Sponsor thereafter, a Non-Purchasing Tenant residing in such Residential Unit will be notified in writing by Sponsor of the name and address of the person or persons who purchased such Non-Purchasing Tenant's Residential Unit. Upon a resale of such Residential Unit, the seller and each subsequent seller will be obligated to notify the Non-Purchasing Tenant in writing within ten (10) days following the change in ownership of the name and address of the non-occupant Purchaser.

If prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant-Purchasers, a Tenant-Purchaser who executed and submitted a Purchase Agreement and tendered the Deposit for the Unit which the Tenant-Purchaser occupied on the Filing Date, before Sponsor amended the terms of the Plan, shall benefit from the more favorable terms and conditions.

If a Bona-Fide Tenant purchases a Residential Unit, then from and after the Closing of Title to such Residential Unit, such Tenant-Purchaser would no longer be subject to, or have any rights afforded tenants in occupancy, under the GBL.

Non-Purchasing Tenants will not have exclusive access to or an exclusive right to use any portion of the Common Elements except for Terraces appurtenant to certain Residential Units, which are Residential Limited Common Elements for the exclusive use of the tenant of such appurtenant Unit.

Non-Purchasing Tenants shall have no rights with respect to their Residential Units except as same may specifically set forth above and in the GBL. Nothing contained herein shall be deemed to grant Non-Purchasing Tenants any additional rights of occupancy with respect to the Residential Units.

Bona-Fide Tenants may purchase a vacant Residential Unit. The price of such Vacant Unit will be the "Price to Non-Tenant Purchasers" as set forth on Schedule A, as it may be amended from time to time. The procedure to purchase such Vacant Unit is set forth in the Section of the Plan entitled "Introduction" subsection "The Residential Units Offered for Sale."

The rights of a Purchaser under the Purchase Agreement are not assignable or transferable. See the Section of the Plan entitled "Assignment of Purchase Agreements."

See the Section of the Plan entitled "Effective Date" for a discussion of Sponsor's obligation to periodically post the percentage of Purchase Agreements received by the Selling Agent.

OBLIGATIONS OF PURCHASERS OF RESIDENTIAL UNITS OCCUPIED BY NON-PURCHASING TENANTS

A Person purchasing a Residential Unit occupied by another does so subject to (a) the existing lease for the Residential Unit, if any (and any renewal thereof pursuant to Law or effected prior to the date on which the Purchaser's Purchase Agreement is accepted), (b) the existing occupancy of the Residential Unit, and (c) rights of the tenant thereof, if any, under the Rent Laws and under the GBL, including the right to stay in possession of the Residential Unit pursuant to the GBL, as more fully discussed in the Section entitled "Rights of Existing Tenants."

All of the apartments in the Building are subject to the Rent Stabilization Law and the regulations promulgated pursuant thereto ("Rent Laws") solely by virtue of the Building's participation in the real estate tax benefits program under section 421-a of the Real Property Tax Law ("Section 421-a Benefits"). Pursuant to the section 421-a program, the apartments in the Building are subject to the Rent Laws until the expiration of the Section 421-a Benefits on June 30, 2011 ("Section 421-a Expiration Date") or upon the expiration of the applicable provisions of the Rent Laws, if sooner. A Non-Purchasing Tenant in occupancy of an apartment in the Building on the Section 421-a Expiration Date, whose lease expires after the Section 421-a Expiration Date, will be permitted by law to remain in the apartment until the expiration date of the lease then in effect, at the rent set forth therein. However, upon the expiration of such lease, in accordance with GBL Section 352-eeee (set forth in Part II of the Plan), any renewal lease offered to such tenant will no longer be subject to the Rent Laws. See the Sections of the Plan entitled "Rights of Existing Tenants" and "Real Estate Tax Exemption Benefits" for further information.

No representations or statements of any kind as to the requirements of the Rent Laws are given, except as expressly set forth in the Plan, and a prospective Purchaser interested in purchasing an occupied Residential Unit in which he does not reside, or lease, is advised to consult with his attorney regarding the application and effect of the foregoing laws and regulations in order to become fully apprised of his rights as a Purchaser and his obligations to any existing tenant or occupant.

After consummation of the sale of a Residential Unit to a non-occupant Purchaser, such non-occupant Purchaser will own the Residential Unit, subject to the lease or tenancy of the present tenant and subject to all rights afforded such tenant under the Rent Laws and the Plan including the right to receive a renewal lease as set forth above and to be evicted only on grounds permitted by Law. Under the GBL, the Non-Purchasing Tenant may not be evicted at any time for failure to purchase or any other reason applicable to expiration of tenancy, provided that eviction proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the Condominium or its Managing Agent or a breach by the Non-Purchasing Tenant of his leasehold obligations to the owner of the Residential Unit or such other grounds for eviction as may then be permitted by Law. In addition, no eviction proceedings may be commenced against a Non-Purchasing Tenant on the grounds that the non-occupant Purchaser seeks the Residential Unit for the use and occupancy of himself or his family.

If a non-occupant Purchaser acquires a Residential Unit occupied by another, then on the Closing Date of such Residential Unit, the non-occupant Purchaser will become the landlord of such tenant and the latter will become the non-occupant Purchaser's tenant. Such non-occupant Purchaser will be required under the Purchase Agreement executed by him to pay the Common Charges, Special Assessments, taxes and other charges against the Residential Unit to the Condominium Board or the City of New York, as the case may be, regardless of whether such Common Charges, Special Assessments, taxes and other charges are greater or less than the rent payable by the tenant or occupant, and regardless of whether or not the rent is received. In addition, such non-occupant Purchaser will be responsible for the performance of all obligations of the landlord under the lease with, or tenancy of, the tenant or occupant, including without limitation, the obligation to register the Unit with the New York State Division of Housing and Community Renewal and to

maintain, repair, and replace plumbing fixtures, refrigerator, range, any dishwasher, lighting fixtures, and other equipment (if any) in the Residential Unit and to paint the Residential Unit, as provided in the lease, the Rent Laws or other applicable Law. In addition, any litigation costs, fees and any dues related to the tenancy, are the sole responsibility of the Purchaser.

The Purchase Agreement for Residential Units occupied by Non-Purchasing Tenants contains a provision whereby each non-occupant Purchaser of a Residential Unit irrevocably appoints the then Managing Agent of the Building (which Managing Agent may be replaced by the Condominium Board if the Sponsor no longer controls the Condominium Board) as his agent, coupled with an interest, to provide for the account and at the expense of the non-occupant Purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has a right to occupy the Residential Unit such non-occupant Purchaser is purchasing until such time as such right to occupy terminates. In addition, each non-occupant Purchaser agrees: (a) to deposit with the Managing Agent at the Closing of Title to the Residential Unit, a sum not less than the greater of two (2) month's rent and two (2) months' Common Charges, to be used as working capital to furnish such services and facilities, and (b) upon written notice by the Managing Agent (or the Condominium Board) that such deposit has been diminished, to replenish said fund within 30 days. Sponsor shall guarantee the obligation of the Managing Agent to provide such services and facilities until such time as Sponsor surrenders control of the Condominium Board. Each non-occupant Purchaser of a Residential Unit will be required to promptly defend, indemnify and hold Sponsor harmless for all costs expended by Sponsor on such non-occupant Purchaser's behalf. The foregoing obligations of a non-occupant Purchaser do not apply to Sponsor or a Holder of Unsold Residential Units.

Upon each resale of a Residential Unit occupied by another, the Managing Agent shall notify the Non-Purchasing Tenant thereof in writing within ten (10) days following the change in ownership of the name and address of the new non-occupant Purchaser.

No representation is made or warranty given as to whether the Rent Laws will continue to apply to any Residential Unit in the Building or whether there will be any future amendments thereto.

A Person interested in purchasing a Residential Unit in which he does not reside is advised to examine the lease for such Residential Unit to ascertain the rental thereof, expiration date and obligations imposed on the landlord thereof. These leases are on file at the office of the Selling Agent. It is further recommended that such person consult with his own attorney in order to become fully apprised of the effect of the Rent Laws, as well as the lease for the Residential Unit, on his rights as a non-occupant Purchaser and his obligations to the existing tenant or occupant.

A non-occupant Purchaser of a Residential Unit subject to a lease will be entitled to receive the unapplied portion of any security deposit held by Sponsor under the terms of such lease. Such security must be held by the non-occupant Purchaser, in trust, in an interest bearing account in accordance with Section 7-103 of the New York General Obligations Law. Upon receipt of such security deposit, the non-occupant Purchaser will be required to acknowledge, in writing, receipt thereof and agree to promptly defend, indemnify and hold Sponsor harmless against all claims or liability in connection therewith.

INTERIM LEASES

Sponsor reserves the right, prior to the date of closing title thereto, to rent or lease any Residential Unit for such rent and term and on such other conditions as may be agreed to between Sponsor and any Purchaser who has paid the Deposit required by the Purchase Agreement. Any such lease (also known as an "Interim Lease") will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Residential Unit which is the subject of the lease will constitute a default under the Interim Lease entitling Sponsor, at its sole option, to terminate such Interim Lease in accordance with applicable Law with respect to the Residential Unit. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under the Interim Lease will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any remedies therein provided but only after Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee or the lessee has vacated the Residential Unit. In addition, in the event (i) the Purchase Agreement is rescinded; (ii) the Plan is abandoned; or (iii) the Sponsor is entitled to possession as a result of a default under the Purchase Agreement, the lessee will be required to vacate the Residential Unit within 30 days after rescission, abandonment or the receipt of notice from Sponsor of such default, as the case may be, subject to any protections then afforded to the tenant by the Rent Laws or the Interim Lease. No portion of rental paid under an Interim Lease shall be credited toward the Residential Unit's purchase price. Since the Units in the Building are subject to the Rent Laws solely by virtue of the Section 421-a program, any Interim Lease will be subject to the Rent Laws (and the rent thereunder will not exceed the maximum legally collectible rent) until the Section 421-a Expiration Date.

Purchasers or any other persons entering into an Interim Lease for a Residential Unit shall 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 an Interim Lease shall be adjusted as of the Closing to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Lease. Sponsor anticipates that the Interim Lease will be subject to governmental regulation.

Sponsor further reserves the right to use or occupy, rent or lease to a tenant who is not a Purchaser on such conditions as may be agreed to between such parties, any vacant Unsold Residential Unit and, at any time, residents of the Condominium may be comprised of both Residential Unit Owners and tenants. A Purchaser may be acquiring a Residential Unit that has been previously occupied, but unless specifically agreed to, such Residential Unit will be delivered at Closing free and clear of all leases, tenancies and rights of occupancy.

Until such time as Sponsor sells Residential Units having no less than 50% of the aggregate Common Interests of all Residential Units, Sponsor will endeavor in good faith to sell, in a reasonably timely manner, all vacant Residential Units to Purchasers for personal occupancy by themselves or their families rather than rent vacant Residential Units. However, if there is a decline in market conditions which prevents Sponsor from obtaining purchase prices which are not more than 10% below those set forth on Schedule A of the Plan for Non-Tenant-Purchasers at the time the Plan is declared effective, Sponsor reserves the right, to rent, rather than sell, vacant Unsold Residential Units, until such time as there is an upturn in the market and Sponsor is able to obtain such purchase prices. Sponsor will in good faith continue to engage in sales activities. After Sponsor sells Residential Units having more than 50% of the aggregate Common Interests of all Residential Units, Sponsor reserves the unconditional right to rent rather than sell Residential Units. Notwithstanding the foregoing, Residential Unit Owners shall have effective control of the Condominium Board following the expiration of the Initial Control Period. The mortgage which will encumber the Unsold Residential Units as of the First Closing does not have any provisions which would prevent Sponsor from renting Unsold Residential Units.

Prospective Purchasers should be aware that they potentially may be living with non-purchasing occupants in many of the Residential Units for an indefinite period, depending upon market conditions. After the expiration of the Section 421-a tax exemption benefits (as described in the Section of the Plan entitled "Real Estate Tax Exemption Benefits"), in Sponsor's sole discretion, non-purchasing occupants (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same building services and use the Building's amenities (e.g., the fitness room or laundry room) as owner-occupants, however, they have no investment in their Residential Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities.

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.

PROCEDURE TO PURCHASE

A prospective Purchaser desiring to purchase a Residential Unit will be required to execute a Purchase Agreement in quadruplicate (i.e., 4 original complete copies), which will be in the form set forth in Part II of the Plan and may not be amended, revised or altered by the Purchaser in any way.

Sponsor must accept a Purchase Agreement from a Tenant-Purchaser, with respect to the Residential Unit such Tenant-Purchaser occupied on the Filing Date, who submits 4 original, complete and unaltered executed copies of the signed Purchase Agreement and Purchaser's unendorsed check (subject to collection) for the Deposit to Sponsor during the time within which the Tenant-Purchaser has the exclusive right to purchase his Residential Unit under the Plan. Such Tenant-Purchaser will receive a fully-executed counterpart of his Purchase Agreement from Sponsor.

Unless less than 3 business days remain in the statutory time period to declare the Plan effective, prospective Non-Tenant-Purchasers will be afforded not less than 3 business days to review the Plan and any and all amendments thereto prior to executing a Purchase Agreement. A prospective Non-Tenant-Purchaser may obtain the Plan upon payment of a $200 Deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor. If a Non-Tenant-Purchaser has not received the Plan at least 3 full business days prior to executing a Purchase Agreement, a Purchaser shall have the right to rescind the Purchase Agreement within 7 days from the date Purchaser executes a Purchase Agreement and delivers a Deposit. The Purchase 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 Purchase Agreement, the provisions of the Plan shall in all events control.

Purchase Agreements from Non-Tenant-Purchasers or from Tenant-Purchasers after the expiration of the Exclusive Purchase Period with respect to Residential Units they do not occupy, will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the prospective Purchaser. Sponsor will have 30 days after receipt of an executed Purchase Agreement and the Deposit required thereby, within which to accept or reject such Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information (including credit reports to be paid for by Purchaser) concerning any such prospective Purchaser, subject to any limitations and requirements imposed by Law.

If a Purchase Agreement is not accepted by Sponsor within the 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Deposit shall be returned to Purchaser within 30 days thereafter. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, to refuse to approve and execute (a) a Purchase Agreement for any Residential Unit, except as prohibited by Law, and (b) a Purchase Agreement(s) for more than one Residential Unit to any one person or entity.

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

At the time of execution of a Purchase Agreement, a Purchaser will be required to make a Deposit in an amount equal to 5% of the Purchase Price (with respect to Tenant-Purchasers) by Purchaser's unendorsed check, or 10% of the Purchase Price (with respect to Non-Tenant-Purchasers) by an official bank check, in all cases drawn on or issued by a New York Bank or trust company which is a member of the New York Clearinghouse Association. All Deposits must be made payable to the direct order of "Starr Associates LLP, as escrow agent." All checks delivered in payment of the Deposit shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be void ab initio and of no further force or effect.

All Deposits made pursuant to Purchase Agreements are subject to the requirements of 352-e(2-b) and 352-h of the General Business Law of the State of New York. Pursuant to this law, Sponsor will cause all

Deposits received by it directly or by its agents or employees to be promptly deposited and held in accordance with the procedures set forth in the Section of the Plan entitled "Escrow and Trust Fund Requirements."

The balance of the purchase price shall be payable simultaneously with the delivery of the deed to the Residential Unit by official bank check or (at Sponsor's sole discretion), a wire transfer 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 the Deposit will be credited or paid to Purchaser at Closing or released to Sponsor if the Purchaser defaults and the Plan is consummated.

Each Purchaser shall be obligated to enter into a power of attorney at the Closing of Title to the Residential Unit. 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 Common Elements. The power of attorney also grants to Sponsor the right to amend the Declaration and to bring tax certiorari proceedings on behalf of all Unit Owners. (See the Power of Attorney set forth in Part II of the Plan.)

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

According to Black's Law Dictionary (Revised Fourth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party.

In the event of any default by Purchaser under his Purchase Agreement, which default is not cured within 30 days after Sponsor gives written notice to Purchaser of default, Sponsor may, at its option, cancel the Purchase Agreement and retain the Deposit together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate, or Sponsor may seek specific performance. Notwithstanding the foregoing, Sponsor shall not exercise its right to file an action for specific performance against a Tenant Purchaser who purchases the Unit such Tenant occupied on the Filing Date of the Plan. In addition to the Deposit and interest thereon, Sponsor also will be entitled to retain and/or recover (i) any amount spent 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.

After the amendment declaring the Plan effective has been accepted for filing, Sponsor will fix dates for closing title to all Residential Units for which Purchase Agreements have been executed by serving notice upon each Purchaser stating the date of the First Closing and setting the Closing Date for the Residential Unit. Such notice will be served no later than 30 days prior to the date set for the Closing of the Residential Unit. Sponsor, in its sole discretion, may permit Purchaser to waive this 30 day notice provision.

If a Purchaser fails for any reason to close title to his Residential Unit on the originally scheduled Closing Date, as to which date time is of the essence, Purchaser will have a 30 day period within which to cure such default. 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 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 Purchase Agreement and the Plan, an amount equal to 0.03% of the Purchase Price of his Residential Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

If a Purchaser has entered into Purchase Agreements to purchase more than one Residential Unit, all such Residential Units must close simultaneously and a default by Purchaser in the payment or performance of any obligations under any of such Purchase Agreements, beyond any applicable grace periods, shall be deemed a

default under the other Purchase Agreements. In the event of a default, Sponsor may, at its option, cancel such Purchase Agreements and retain, as liquidated damages, each of the Deposits made by such Purchaser, together with any interest earned thereon, if any, under such Purchase Agreements.

Prior to the Closing of Title to a Residential Unit, the Purchase Agreement prohibits a Purchaser from listing the Residential Unit for resale or rental with any broker or listing service or advertising or otherwise offering, promoting, holding open houses or publicizing the availability of the Residential Unit for sale or lease, without Sponsor's prior written consent. Any such listing or promotion of the Residential Unit for sale and/or advertising by Purchaser in violation of the terms of the Plan shall be deemed a material default under the Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the Deposit made by the Purchaser, together with interest earned thereon.

Purchase Agreements delivered by Tenant-Purchasers during any Exclusive Purchase Period may only be modified to the extent negotiated without discriminatory inducement or to the extent such modification is the result of a duly filed amendment to the Plan.

Although a Purchaser may obtain financing from any lending institution or other source, the Purchaser's obligation to purchase a Residential Unit pursuant to a Purchase Agreement is not contingent on the Purchaser obtaining such financing. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any mortgage financing. Prospective Purchasers may want to finalize their financing arrangements before signing a Purchase Agreement and should be aware that even if a loan commitment is obtained, its terms may be limited, and it could expire before the Closing Date.

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 is in possession or takes possession of such Residential Unit, in which event or at which time such risk shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any damage to 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 a Purchase Agreement, the cause of which originated outside the Unit and did not result from the acts or omissions of Purchaser or other occupants, guests, invitees, agents or workers, provided Sponsor elects, in its sole discretion, to repair or restore the Residential Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the 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 Condominium Board and other Residential 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 a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Residential Unit or if the Residential Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section of the Plan entitled "Rights and Obligations of the Condominium Board and Summary of By-Laws"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return the Deposit, together with any interest earned thereon, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages. If the cause of such damage or casualty resulted from the acts or omissions of Purchaser or other occupants, guests, invitees, agents or workers of Purchaser, Purchaser shall assume the risk of loss and obligation to repair the damage, and Purchaser's failure to make such repair shall not excuse Purchaser from paying the balance of the Purchase Price and accepting delivery of the deed.

Each Residential Unit and the fixtures and personal property contained therein, if any, are being sold and delivered to Tenant-Purchasers "AS IS," on the Filing Date, subject to the Sponsor's obligations under the Rent Laws.

SPONSOR SHALL IN NO WAY BE OBLIGATED TO PERFORM ANY SPECIAL OR ADDITIONAL WORK TO A RESIDENTIAL UNIT OTHER THAN AS REQUIRED BY THE TERMS OF THE PLAN AND THE DESCRIPTION OF PROPERTY AND BUILDING CONDITION SET FORTH IN PART II OF THE PLAN.

Each Purchaser of a Residential Unit shall be given a reasonable opportunity to examine his Residential Unit prior to the Closing of Title and is urged to make a careful inspection thereof.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchasers do not have the right to assign or transfer the Purchase Agreement executed in connection with the purchase of a Residential Unit, prior to Closing. Any purported assignment by Purchaser will be (i) voidable at the option of Sponsor; and (ii) deemed a default by Purchaser, entitling Sponsor to the remedies set forth in the Plan.

ESCROW AND TRUST FUND REQUIREMENTS

All Deposits will be held in escrow in conformity with the disclosure contained in this Section of the Plan.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

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

All Deposits made by Purchasers prior to the Closing of each individual transaction, will be placed, in a segregated special escrow account of Starr Associates LLP, the escrow agent ("Escrow Agent"), whose address is 245 Fifth Avenue, Suite 1102, New York, New York 10016, and whose telephone number is (212) 620-2680. The attorneys who are signatories on this account authorized to withdraw funds, acting singly, are: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq., Hillary A. Potashnick, Esq., Jane Rosenberg, Esq. and Evan R. Schieber, Esq. Escrow Agent has established a master escrow account entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account") at M&T Bank located at 350 Park Avenue, New York, New York 10022 ("Escrow Bank"). The Deposit will be placed in the Master Escrow Account within 5 business days after the Purchase Agreement is signed by all necessary parties. Any subsequent Deposit tendered by Purchaser after the initial Deposit will be placed in the Master Escrow Account within 10 business days after tender by Purchaser to Sponsor or Selling Agent.

All Deposits will be placed initially in the non-interest bearing portion of the Master Escrow Account (including Deposits for upgrades or extras ordered by Purchasers). Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser (except for Deposits for upgrades or extras ordered by Purchasers). If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Master Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Master Escrow Account so that checks may be drawn thereon. Deposits for upgrades or extras ordered by Purchasers may be released from the Master Escrow Account by Escrow Agent and paid to Sponsor for the upgrades or extras. Escrow Agent shall be under to duty to verify that Sponsor used such funds for upgrades or extras.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the tender of the Deposit. If Purchaser does not receive notice that the Deposit has been placed in the Master Escrow Account within 15 business days after tender of the Deposit, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within 90 days after tender or crediting of the Deposit. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. Escrow Agent will not be required to send the letter to each Purchaser

referred to above in connection with any subsequent Deposits tendered by Purchaser after the initial Deposit to Sponsor or Selling Agent is deposited into the Master Escrow Account prior to the Closing.

The Escrow Bank is covered by federal bank deposit insurance to a maximum of $100,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $100,000 such Deposit will not be federally insured in excess of $100,000; and (ii) while the Deposit is in the non-interest bearing portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $100,000.

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

Acceptance of the Deposit by Sponsor or Selling Agent and the Deposit thereof by Escrow Agent into escrow shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes a complete, unaltered Purchase Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the fully-executed Purchase Agreement to Purchaser in accordance with the terms of the Plan.

If a Purchaser tenders a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after tender, if the Deposit has not been deposited into escrow, and (ii) within 10 business days at any time, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow account portion of the Master Escrow Account will be interest-bearing. Interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Deposit. Interest will be credited to Sponsor only in the event Purchaser defaults and the Plan has been consummated. The interest rate to be earned will be the prevailing rate for these accounts. Interest will begin to accrue within: (i) 3 business days, if the Deposit is cash or cash equivalent, or (ii) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Master Escrow Account into the sub-escrow account portion of the Master Escrow Account.

All instruments shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent." Endorsed instruments will not be accepted.

In the event a check delivered by a Purchaser fails of collection, the Purchase Agreement will be deemed void an initio (as if the Purchase Agreement had never been executed) by Sponsor in its sole discretion by written notice to Purchaser given within 10 business days of Sponsor being notified by Escrow Agent of such failure of collection.

Except as set forth in the immediately preceding paragraph, 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 10 business

days. Thereafter, the Deposit may be paid to Sponsor unless Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's regulations and has so notified Escrow Agent in accordance with such provisions and Escrow Agent has received such notice.

Sponsor will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

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

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

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

Purchasers and the 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 that needs to be resolved. An application 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.

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

Escrow Agent is acting merely as a stakeholder. Upon payment of the Deposit pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to the Deposit.

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

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

Escrow Agent will maintain all records concerning the Master Escrow Account for 7 years after the release of funds.

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.

EFFECTIVE DATE

The offering of the Residential Units for sale under the Plan by Sponsor is contingent upon the Plan being declared effective. The following provisions will determine whether, and when, the Plan will be declared effective:

1. The Plan may not be declared effective until Purchase Agreements have been executed and delivered for at least 15% of all dwelling Residential Units in the Building, by Bona-Fide Tenants in occupancy or bona-fide Purchasers who represent that they intend that they or one or more specified members of their immediate family will occupy the Residential Unit upon purchase or when it becomes vacant. As to tenants who were in occupancy on the Filing Date of the Plan, the Purchase Agreement must be executed and delivered pursuant to an offering made without discriminatory re-purchase agreements or other discriminatory inducements.

2. After the conditions in the foregoing paragraph one have been met, Sponsor may, at its option, declare the Plan effective.

3. When Purchase Agreements have been executed and delivered for the sale of 80% of all Residential Units in the Building, and all the conditions referred to in the foregoing paragraph one have been met, Sponsor must declare the Plan effective.

The Plan will not be declared effective based on Purchase Agreements: (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) assigned or transferred in violation of the Plan; or (iii) signed by Purchasers who have not been afforded at least 3 business days to review the Plan and all filed amendments prior to executing a Purchase Agreement or at least 7 days to rescind; or (iv) 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 either a Bona-Fide Tenant in occupancy or a bona-fide Purchaser).

When calculating the 15% requirement: (i) no more than one Purchase Agreement by an outside Purchaser or by a tenant or tenants of a particular Residential Unit will be counted; and (ii) only one Purchase Agreement from any tenant who leases or occupies more than one Residential Unit will be counted.

The Plan will be declared effective either by: (a) an amendment to the Plan or (b) by personal service of notice on every tenant and Purchaser or by commencement of service by mail of notice stating that the Plan is declared effective and submitting an amendment within 5 business days following such notice confirming that the Plan was declared effective as of the date of such notice. Upon acceptance for filing, the amendment will be delivered to all Purchasers and tenants. The First Closing shall not be fixed until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

The Plan may not be amended at any time to provide that it shall be an eviction plan.

If the Plan has not become effective within 15 months from the Filing Date, it will be deemed abandoned, void and of no effect and all monies will be returned to Purchasers not in default under their respective Purchase Agreements, with interest if earned, within 30 days thereafter. Upon the return of the Deposit, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to such Purchaser under the Plan or the Purchase Agreement. In the event of abandonment, no new offering plan for the conversion of the Building shall be submitted to the Department of Law for at least two (2) months after such abandonment.

Prior to the Plan becoming effective, Sponsor may, at its option, declare the Plan abandoned for any reason whatsoever. Once the Plan has been declared effective, it may not be abandoned for any reason other than (i) a defect in title (unknown to Sponsor on the Filing Date of the Plan) which cannot be cured without litigation or cannot be cured for less than 0.5% in the aggregate of the Total Purchase Price to Tenant-Purchasers; or (ii) substantial damage to or destruction of the Building by fire or other casualty which cannot be repaired cured for less than 0.5% in the aggregate of the Total Purchase Price to Tenant-Purchasers; or (iii) the taking of any material portion of the Property by condemnation, or eminent domain. There will be no obligation on the part of Sponsor to incur expenses (except to the extent of up to an aggregate of 0.5% of the Total Purchase Price to Tenant-Purchasers in case of defects in title, casualty losses and violations as aforesaid) or engage in litigation to cure the same. Excluded from the dollar amounts set forth in (i), (ii), or (iii) above are attorneys' fees or any such title defects, violations, work orders, or determinations of any authority or regulatory association which exist on the Filing Date and either are known to Sponsor or are a matter of public record.

Sponsor will on the 30th, 60th, 88th and 90th day after the Presentation Date of the Plan and at least once every 30 days until the Plan is declared effective or abandoned and on the 2nd day before the expiration date and on the expiration date of any exclusive purchase period provided in an amendment to the Plan, (i) file with the Department of Law, Investment Protection Bureau, 23rd Floor, 120 Broadway, New York, New York 10271, a written statement, under oath, setting forth the percentage of Residential Units in the Building which are the subject of Purchase Agreements executed by Bona-Fide Tenants in occupancy on the Filing Date or bona-fide Purchasers who represent that they intend that they or one or more specified members of their immediate family occupy the Residential Unit when it becomes vacant as of the date of such statement and as of a specified time and, (ii) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. The percentage shall be computed in the same manner as Sponsor shall compute the minimum percentage needed to declare the Plan effective. The statement which is posted in the Building and filed with the Department of Law shall include the following: the date and time of the statement, the Filing Date of the Plan, the Presentation Date of the Plan and of the current amendment, the last day of any exclusive purchase period, the number of Bona-Fide Tenants in occupancy and bona-fide Purchasers who have executed Purchase Agreements, the number of Residential Units counted in the base and the percentage of Purchasers. Copies of all filed and posted written statements will be available for inspection at the office of the Selling Agent and at the Department of Law. All filed and posted written statements shall remain posted until the next filed and written statement is posted.

After an amendment declaring the Plan effective has been accepted for filing, Sponsor will fix dates for the Closing of Title to all Residential Units as to which Purchase Agreements are outstanding, in accordance with the provisions of the respective Purchase Agreements. See the Section of the Plan entitled "Terms of Sale" for a discussion of the mechanics of Closing of Title to a Residential Unit.

TERMS OF SALE

The term "Closing" as used herein refers to the conveyance of title to a Residential 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 Residential Unit. The Closing to each Residential Unit shall be held at the offices of Sponsor's attorneys, Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, New York 10016 or at such other place as Sponsor may designate on not less than two business days' prior notice. The Closing to each Residential 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 Residential 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 Residential Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Residential 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 Residential Unit at least 30 days prior to the Closing Date specified therein;

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 Residential Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances (set forth as Exhibit A to the Purchase Agreement);

f. if the Purchaser of the Residential Unit so requests, the issuance of a title insurance policy or certificate committing to insure fee title to the Residential Unit in the Purchaser subject only to the encumbrances set forth in Exhibit A annexed to the form of Purchase Agreement (set forth in Part II of the Plan) which policy or certificate will also insure that a valid condominium has been created pursuant to the Condominium Act. The form of Residential Unit Owner's Specimen Title Policy, if title insurance is ordered from the Title Company, is set forth in Part II of the Plan. For an estimate of the cost to the Purchaser of obtaining such title insurance, see the Section of the Plan entitled "Closing Costs and Adjustments;"

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

h. the execution and delivery by Purchaser of the New York City Real Property Transfer Tax Return and the New York State Real Estate Tax Return (along with applicable payments) and such other forms as may be required.

i. the execution and delivery by Tenant-Purchaser of a lease surrender agreement which terminates such Tenant-Purchaser's lease for the Residential Unit.

j. the delivery by Purchaser of evidence of insurance as set forth in the By-Laws and in the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" subsection "Insurance."

All personal property located within the Unit on the date the Purchase Agreement is signed or located within the Common Elements on the date the Declaration is filed that is owned by the Sponsor is included in the conveyance unless specifically excepted in the Plan.

The Residential Units are being sold to the Tenant-Purchasers "as is" in the condition in which they exist on the Filing Date of the Plan, subject to ordinary wear and tear and to Sponsor's obligations to maintain the Building until the First Closing and to make repairs, improvements or decorations as may be otherwise set forth in the Plan, and to Non-Tenant-Purchasers "as is" in the condition in which they exist on the Closing Date of such Units. Sponsor will maintain the Building and the Common Elements until the First Closing, subject to ordinary wear and tear. Sponsor's obligation to make repairs in any Residential Unit shall cease upon the Closing of Title of such Residential Unit, except for repairs which Sponsor was obligated to make prior to the Closing of Title. Each Purchaser will be given a reasonable opportunity to examine the Residential Unit prior to Closing, subject to the rights of any tenant or occupant of such Residential Unit.

If prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant-Purchasers, a Tenant-Purchaser who executed and submitted a Purchase Agreement and tendered the Deposit for the Unit which the Tenant-Purchaser occupied on the Filing Date, before Sponsor amended the terms of the Plan, shall benefit from the more favorable terms and conditions.

If the Purchaser is or becomes the tenant or occupant of the Residential Unit before the Closing of Title thereto and, before such closing, the Residential Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Residential Unit and/or did not result from the acts of such Purchaser or other occupants of the Residential Unit or such Purchaser's guests, invitees, or workmen. Except as set forth in the preceding sentence, all other risk of loss or damage prior to Closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair the same. If Sponsor or (in the event the Declaration is filed) the Condominium Board does not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect, unless the Purchaser agrees to accept such Residential Unit without such repair (in which case Purchaser shall not receive a credit toward, or an abatement in, the Purchase Price). Thereafter, the Deposit will be refunded to Purchaser unless Purchaser is then in default (beyond the applicable grace period, if any), in which event the Deposit will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair the damage, the Purchase Agreement shall continue in full force and effect, the Purchaser shall not have the right to reject title to the Residential Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repair. A Purchaser electing to proceed with the purchase of a Residential Unit (rather than rescind such Purchase agreement within 15 days of notice) will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof.

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 Residential 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. 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 an aggregate amount of 0.05% of the total Purchase Price to Tenant-Purchasers in respect of the Building and of all Residential Units.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13

NYCRR, Part 23 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and in GBL § 352-e to survive delivery of the deed.

From and after the Closing of Title to a Residential Unit, a Purchaser will thereupon become obligated for the payment of Common Charges, Special Assessments, taxes and other charges against the Residential Unit to the Condominium or the City of New York, as the case may be, and all other expenses (whether or not such Purchaser has taken possession of the Residential Unit, 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 and whether or not the tenant in possession, if there be one, pays the rent required to be paid by such tenant).

The existing lease of a tenant who has purchased his Residential Unit will be terminated through execution of a Lease Surrender Agreement as of the Closing of Title to his Residential Unit, and, as of the Closing the Tenant-Purchase tenant will not have any rights afforded by nor be subject to, the Rent Laws or the GBL.

CLOSING COSTS AND ADJUSTMENTS

The Purchaser shall be responsible for the payment of the following closing costs and expenses calculated pursuant to the rates in effect as of the Closing of Title to his Residential Unit (the estimates set forth below are based on rates in effect as of the Filing Date of the Plan and are subject to change without notice):

1. While no representation or warranties are made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources, if the Purchaser obtains mortgage financing, Purchaser will be required to pay the mortgage recording tax, the cost of recording the mortgage and the premium for the lender's mortgage title insurance policy, all in amounts determined by governmental authorities and the lender. These costs are approximately as follows, but may be changed without prior notice:

(a) A mortgage recording tax in the amount provided by Law. The tax payable by a borrower for mortgages under $500,000 is 2.05% of the face amount of the mortgage (2.175% of the face amount for mortgages at or over $500,000). Of the total due, mortgagee pays an amount equal to .25% of the face amount of the mortgage. In addition, there is a $30 exemption for residential property. If applicable, pursuant to Section 339-ee(2) of the Condominium Act, the Sponsor may be entitled to be reimbursed by the Purchaser for the amount of any credit that may be obtained upon the recording of a mortgage on a Residential Unit because of the previous payment of mortgage recording tax on any blanket mortgage covering the Property.

(b) The fees of the lender's counsel, the amount of which is determined by the lender.

(c) The cost of recording the mortgage, which will be approximately $32 per document plus $5 per page, plus any applicable service charges.

(d) The cost of the lender's appraisal, commitment fees and credit reports, as determined by the lender.

(e) The cost of fee and mortgage title insurance:

(i) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefore, which will vary depending upon the amount requested. If ordered from the Title Company (listed in the Section of the Plan entitled "Definitions"), the premium will be calculated at a discounted rate of 70% of the standard fee policy rates in accordance with the following discounted rate schedule:

FEE BULK RATE SCHEDULE
(70% Rate)

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$402.00
From $35,001 to $50,000	$4.67 per Thousand
From $50,001 to $100,000	$3.80 per Thousand
From $100,001 to $500,000	$3.05 per Thousand
From $500,001 to $1,000,000	$2.79 per Thousand
From $1,000,001 to $5,000,000	$2.56 per Thousand
From $5,000,001 to $10,000,000	$2.28 per Thousand
From $10,000,001 to $15,000,000	$2.15 per Thousand
From $15,000,001 and up	$1.93 per Thousand

Note - The minimum premium for a fee policy is $402.

(ii) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance from the Title Company, the premium for the fee title insurance will be calculated as described in subparagraph (i) above. The premium for the mortgage title insurance that does not exceed the premium for the fee policy will be calculated at a discounted rate equal to 21% of the standard mortgage policy rates in accordance with the following discounted rate schedule:

SIMULTANEOUS MORTGAGE BULK RATE SCHEDULE
(21% Rate)

AMOUNT OF INSURANCE	PREMIUM
First $35,000	$72.00
From $35,001 to $50,000	$1.17 per Thousand
From $50,001 to $100,000	$.95 per Thousand
From $100,001 to $500,000	$.76 per Thousand
From $500,001 to $1,000,000	$.70 per Thousand
From $1,000,001 to $5,000,000	$.64 per Thousand
From $5,000,001 to $10,000,000	$.57 per Thousand
From $10,000,001 to $15,000,000	$.54 per Thousand
From $15,000,001 and up	$.49 per Thousand

A form of Unit Owner's Specimen Title Policy, if title insurance is ordered from the Title Company, is set forth in Part II of the Plan.

Sponsor's attorneys will clear title through the Title Company, as specified in (e)(i), above. Purchasers using a different title company are obligated to have their title company clear title with the Title Company prior to closing.

In addition to any lender-related and mortgage-imposed costs and the costs of fee and mortgage title insurance, each Purchaser will be required to pay:

(a) The cost of recording the deed and Residential Unit Power of Attorney, which will be approximately $32 for each document, plus $5 per page, plus any applicable service charges.

(b) The cost for filing the New York City Real Property Transfer Report ("RP-5217NYC") is $75.

(c) A contribution to the working capital fund equal to two (2) months' Common Charges then applicable.

(d) The cost of the New York City Real Property Tax ("RPT Tax") currently in an amount equal to 1% of the Purchase Price where the Purchase Price is $500,000 or less and 1.425% of the Purchase Price where the Purchase Price exceeds $500,000;

(e) The cost of the New York State Real Estate Transfer Tax ("State Transfer Tax") currently equal to $2 per $500 of Purchase Price or fraction thereof plus, if applicable, a Special Additional Tax of 1% on Purchase Prices of $1 million or more ("Mansion Tax").

The New York City Department of Finance has taken the position that where the Purchaser of property assumes the obligation for the State Transfer Tax and the RPT Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. Consequently, the amount of the RPT Tax is computed as follows:

Tentative RPT Tax:	Purchase Price $500,000 or less	Purchase Price Greater than $500,000
Consideration	$100,000	$ 600,000
Tax Rate	x 1%	x 1.425%
Tentative tax	$ 1,000	$ 8,550
Tentative State Transfer Tax:		
Consideration	$ 100,000	$ 600,000
Rounded up to nearest $500		
Tentative Tax (@ $2 per $500)	$ 400	$ 2,400
RPT Tax:		
Consideration	$ 100,000	$ 600,000
Tentative taxes	+ 1,400	+ 10,950
Taxable Consideration	$ 101,400	$ 610,950
Tax Rate	x 1%	x 1.425%
RPT Tax Liability	$ 1,014	$ 8,706
State Transfer Tax:		
Consideration	$ 100,000	$ 600,000
Tentative taxes	+ 1,400	+ 10,950
Taxable Consideration	$ 101,400	$ 610,950
Rounded up to nearest $500	$101,500	$ 611,000
Tax Rate	x $2/$500	x$2/$500
State Transfer Tax Liability	$ 406	$ 2,444

Thus, the effective RPT Tax rate is approximately 1.014% of the Purchase Price where the Purchase Price is $500,000 or less and 1.451% where the Purchase Price is more than $500,000. A similar position has been taken by the New York State Department of Taxation and Finance and as a result the effective tax rate for the State Transfer Tax is $4.06 per thousand dollars of the Purchase Price for the Residential Unit where the consideration is $500,000 or less and $4.076 per thousand dollars of the Purchase Price of the Residential

Unit where the consideration is more than $500,000. However, payment by the Purchaser of Mansion Tax is not considered additional consideration to Sponsor for purposes of the calculation of the State Transfer Tax.

The New York City Department of Finance also has taken the position that a transfer of more than one Residential Unit to the same Purchaser constitutes a "bulk sale" rather than the sale of individual units, irrespective of the fact that Purchaser of the Residential Units intends to combine the Residential Units post-closing. Therefore, all Purchasers who purchase more than one Residential Unit from Sponsor will be subject to the bulk sale tax rate of 1.425%, if the consideration is $500,000 or less or 2.625% if the consideration is more than $500,000.

(f) Fees payable to Sponsor's attorney, Starr Associates LLP for each Residential Unit closed, in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing.

(i) $1,350 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Starr Associates LLP, or such other place as Sponsor may designate and supervision of execution of closing documents;

(ii) If Purchaser requires that the closing occur other than at the office of Starr Associates LLP, or such other place as Sponsor may designate, and Sponsor consents to such change, an additional attendance fee of $500 for each closing held within Manhattan. No closing will be held in any borough outside Manhattan;

(iii) $750 if title insurance is ordered from a company other than the Title Company. In this regard, Purchasers should note that the legality of the collection of this fee has been invalidated by the New York State Insurance Department in a ruling in which the facts were not clear. In the event this ruling is not reversed on appeal or otherwise rescinded, as of the Closing of Title of a particular Unit, this fee will not be due from such Purchaser unless Starr Associates LLP incurs any additional time or expense as a result of Purchaser's election not to utilize the Title Company, in which event such fee will be due and payable by Purchaser;

(iv) If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement;

(v) If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay to Starr Associates LLP, an additional fee of $750 for each rescheduled closing to help defray the cost of preparing and coordinating the closing and recalculating the closing apportionments;

(vi) $250 for the preparation of ACRIS transfer documents required by the City of New York.

Purchaser may pay more than one fee pursuant to (f) above with respect to the Closing of a Residential Unit. In addition to an attendance fee in connection with a completed Residential Unit transfer, Starr Associates LLP, shall also be entitled to an attendance fee in the amount set forth above if such firm's representative attends a scheduled closing but the closing is adjourned due to Purchaser's failure to comply with Purchaser's closing obligations. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request.

All legal costs, fees and expenses of Starr Associates LLP, other than those specifically set forth above, will be the sole responsibility of Sponsor.

(g) If Purchaser has dealt with any broker other than the broker(s) disclosed in the Purchase Agreement in connection with the purchase, then Purchaser will be required to pay any commission due to such broker.

Example of Estimated Closing Costs for Typical Residential Unit

Purchase Price: $850,000 with a mortgage of $680,000 (80%)

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $850,000 of owner's insurance	(70% first condo bulk sale rate)	$2,738.00
Mortgage Insurance Premium for $680,000.00 of lender's insurance	(21% first condo bulk sale simultaneous rate)	$568.00
NYC RPT Tax	NOTE: transfer taxes are based upon bulked-up consideration of $865,512.50. The NYC RPT rate is 1.425%.	$12,333.55
NYS Transfer Tax	The tax rate is $2 for every $500 of consideration or fraction thereof.	$3,464.00
Mortgage Recording Tax	The tax rate is 2.175%. The borrower pays 1.925% - $30. This does not include the lender's ¼ point of mortgage tax in the amount of $1,700.00.	$13,060.00
Departmental and Bankruptcy Searches		$150.00
Estimated Recording Fees	(one deed, one mortgage and one condo power of attorney)	$500.00
Estimated Lender's Title Endorsements	Three endorsements at $25 each.	$75.00
Fee of Sponsor's attorney	Basic closing fee and ACRIS document preparation fee	$1,600.00

This example does not include the following costs or fees, to the extent applicable: Purchaser's financing costs, legal fees of Purchaser's attorney, additional legal fees payable to Sponsor's attorney as set forth in paragraph (f) above, recording additional documents, penalty for late closing or adjustments with the Sponsor (including mortgage recording tax reimbursement), apportionment of real estate taxes and insurance as described below. Furthermore, this example does not take into account possible new taxes, increases in tax rates or cost of title insurance or recording fees.

Closing Adjustments

At Closing, adjustments will be made as of midnight of the day preceding the closing date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any; (b) Common Charges and assessments for the month in which title closes and (c) accrued rent, security deposits and any other charges pursuant to an existing tenancy or an interim lease of the Residential Unit. In the event the Units have not been separately assessed and billed to Unit Owners for real estate tax purposes prior to the First Closing, each Unit Owner may be required to pay a pro rata share (in the proportion that such 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 as Common Charges. (Please refer to Schedule A for an estimate of real

estate taxes payable during the first year of condominium operation). The Condominium will pay such taxes either to the City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay such Unit Owner's pro rata share as set forth above, the Condominium will have a lien on such Unit for non-payment of Common Charges. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for further discussion.) At such time as a Unit is separately assessed and separately billed, the Unit Owner will be required to pay such taxes directly to the taxing authority.

If, through no fault of the Sponsor, a Purchaser fails for any reason to close title to his Residential Unit on the originally scheduled closing date ("Scheduled Closing Date"), (a) the closing apportionments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual closing 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 Purchase Agreement and the Plan, an amount equal to 0.03% of the Purchase Price of his Residential Unit for each day starting from (and including) the originally Scheduled Closing Date to (and including) the day before the Actual Closing Date. If, through no fault of Purchaser, Sponsor adjourns the originally scheduled closing date, these provisions shall apply to the rescheduled closing date if Purchaser fails for any reason to close title to his Residential Unit on the Rescheduled Closing Date.

Except as specifically set out in the Plan, Sponsor must pay all costs and expenses incurred in connection with the sale of Residential Units by Sponsor, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the sale of Residential Units pursuant to the Plan, advertising, printing and architects' fees, the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees in connection with the obligations of Sponsor (see the Section of the Plan entitled "Rights and Obligations of Sponsor.")

Pursuant to the By-Laws, each Residential Unit Owner shall, at the Residential 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 Residential Unit or any part thereof, with minimum combined single limits of liability of $300,000 for bodily injury or death arising out of any one occurrence including $300,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Residential Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. Evidence of such insurance must be provided by the Purchaser at the Closing of Title of each Residential Unit and thereafter, whenever requested by the Condominium Board or the Managing Agent.

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Creation of the Condominium

Sponsor will bear all costs and expenses to be incurred in connection with the creation of the Condominium and the preparation, filing and distribution of the Plan. In addition, Sponsor will pay all selling expenses and brokerage commissions of the Selling Agent or other broker engaged by Sponsor. In the event that there are title encumbrances (other than Permitted Encumbrances and mortgages) affecting the Property at the time of the First Closing, Sponsor shall cause such encumbrances to be cured, remedied and removed, at its sole cost and expense, by the First Closing or within a reasonable time thereafter, except that Sponsor shall have no obligation to cure, remedy, or remove any such encumbrances if the same cannot be accomplished at an aggregate cost of up to 0.5% of the Total Purchase Price of Residential Units to Tenant-Purchasers. The existence of any such encumbrances will not constitute an objection to title nor excuse any Purchaser from completing payment of the balance due under his Purchase Agreement (without provision for escrow), provided that Sponsor furnishes adequate proof to the Title Company that such encumbrance has been remedied or deposits a reasonable sum to secure Sponsor's obligation to cure and remedy such encumbrance subsequent to the First Closing as determined by the Title Company. At Sponsor's request, the sums so deposited shall be applied towards payment of the cost of curing or remedying the title defect. If the aggregate cost and expense of curing, remedying and removing all such encumbrances exceeds 0.5% of the Total Purchase Price of Residential Units to Tenant-Purchasers and Sponsor elects not to effect the same, Sponsor shall abandon and withdraw the Plan in accordance with the terms of the Section entitled "Effective Date."

At the First Closing, all assignable service and maintenance contracts and agreements relating to the Units and/or the Common Elements will be assigned to the Condominium, and the Condominium will, on behalf of all Unit Owners, assume the same and indemnify the assignor against all claims and liability thereunder that relate to matters and events occurring on or after the day upon which the Declaration was recorded.

Sponsor's Undertaking with Respect to Certain Improvements and Replacements to the Common Elements

Sponsor will cause to be performed and pay the cost of a program of physical improvement and capital replacement to the Common Elements in connection with the preparation of the Building for its new status as a condominium which improvements and replacements are anticipated to be completed within one year of the First Closing. The cost of the improvements and replacements to the Common Elements set forth below will be applied (to the extent permissible under the Reserve Fund Law) in reduction of Sponsor's required contribution to the Reserve Fund and otherwise performed in compliance with the provisions of the Reserve Fund Law.

The following improvements and replacements to the Common Elements will be performed:

(a) Cosmetic improvements to the lobby and residential hallways;

(b) Cosmetic improvements to the fitness room, children's playroom, pool and spa facilities and the amenity rooms located on the seventh floor currently designated as the cinema room and business center;

(c) replacement of a portion of the foundation drainage system (estimated cost: $500,000);

(d) other improvements and replacements to the Common Elements, as determined by Sponsor.

Sponsor intends to apply for a major capital improvement ("MCI") rent increase for the work described above to the extent that such work qualifies for a MCI rent increase and for which a simultaneous credit against the Reserve Fund has not been taken as set forth above.

Real Property Law Section 339-kk

RPL §339-kk provides, by its terms, among other things, that with respect to Residential Units of a Condominium owned by Sponsor or by any other non-occupant Residential Unit Owner and occupied by a tenant:

(1) If payment of Common Charges, assessments or late fees by any non-occupant Residential Unit Owner is more than 60 days late beyond the expiration of any grace period within which they are due, payments from a tenant of such Residential Unit may become payable directly to the Condominium upon written notice from the Condominium Board to the tenant and the non-occupant Residential Unit Owner. Where a majority of the Condominium Board has been elected by Residential Unit Owners who are in occupancy of their respective Residential Units, the Condominium Board may elect not to require that the rental payments be made payable to the Condominium. Once the Common Charges, assessments and late fees of the non-occupant Residential Unit Owner have been brought current, the Condominium Board must notify the non-occupant Residential Unit Owner and tenant within 3 business days and thereafter the payments from the tenant of such Residential Unit will be payable to the non-occupant Residential Unit Owner or a designated agent.

(2) Payment by a tenant of rent or the other amounts 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 Residential Unit Owner.

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

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

Sponsor makes no representation or guarantee that any Residential 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.

All prospective Purchasers should review RPL §339-kk, a copy of which is set forth in Part II to determine its effect on their own situation.

General

Except for Sponsor's obligations to pay Common Charges and to perform other duties as a Residential Unit Owner with respect to any Unsold Residential Units (for so long as Sponsor owns same) and any other obligations set forth in the Plan to be performed on the part of Sponsor, the foregoing sets forth the entire extent of the obligations of Sponsor hereunder and no other obligations shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers under their respective Purchase Agreements. Sponsor agrees to pay all Common Charges, Special Assessments and real estate taxes with respect to the Unsold Residential Units. Sponsor represents that it has the financial resources to meet its

obligations with respect to the Unsold Residential Units. Sponsor intends to meet its obligations to the Condominium through net proceeds from the sale of Residential Units, rental income from Non-Purchasing Tenants, and from additional funds which may be raised or provided by Sponsor. Sponsor makes no representations or warranties other than as set forth in the Plan. The obligations of Sponsor under the Plan and Article 23-A of the General Business Law shall survive the delivery of the deeds to the respective Residential Units. Sponsor shall not be liable for, or obligated to defend, any suits or claims with respect to any Residential Unit arising out of any occurrence taking place on or after the date of the Closing of Title to such Residential Unit or the leasing thereof to any Purchaser or, with respect to the Common Elements, arising out of any occurrence taking place on or after the date of the First Closing, except suits or claims arising out of the acts of Sponsor or the representations made by Sponsor in the Plan.

Sponsor has not furnished any bond or other security for the performance of its obligations under the Plan.

Sponsor will initially procure on behalf of the Condominium, 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 Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board") the cost of which insurance has been reflected in Schedule B. Please refer to the Section of the Plan entitled "Terms of Sale" for a discussion of Sponsor's obligations to repair damage from a casualty or other causes prior to the Closing of Title to a Residential Unit.

Sponsor shall have only such obligation to defend any suit or proceeding arising out of Sponsor's acts or omissions or to indemnify the Condominium, Condominium Board or Residential Unit Owner(s) in any such action or proceeding as is required by Law.

Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer of 10 or more Residential Units or 20% of the Residential 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 Residential Units under the Plan, applicable Law or regulations and in the event of dissolution or liquidation, the principals of Sponsor shall guarantee the performance of such obligations.

Sponsor will cause the Condominium Board to maintain the Property in substantially the same condition and manner as on the date of presentation until Sponsor no longer controls the Condominium Board.

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 Residential Unit will survive delivery of the deed.

Sponsor's Option to Continued Rentals of Residential Units

Until such time as Sponsor sells Residential Units having no less than 50% of the aggregate Common Interests of all Residential Units, Sponsor will endeavor in good faith to sell, in a reasonably timely manner, all vacant Residential Units to Purchasers for personal occupancy by themselves or their families rather than rent vacant Residential Units. However, if there is a decline in market conditions which prevents Sponsor from obtaining purchase prices which are not more than 10% below those set forth on Schedule A of the Plan for Non-Tenant-Purchasers at the time the Plan is declared effective, Sponsor reserves the right, to rent, rather than sell, vacant Unsold Residential Units, until such time as there is an upturn in the market and Sponsor is able to obtain such purchase prices. Sponsor will in good faith continue to engage in sales activities. After Sponsor sells Residential Units having more than 50% of the aggregate Common Interests of all Residential Units, Sponsor reserves the unconditional right to rent rather than sell Residential Units. Notwithstanding the foregoing, Residential Unit Owners shall have effective control of the Condominium

Board following the expiration of the Initial Control Period. The mortgage which will encumber the Unsold Residential Units as of the First Closing does not have any provisions which would prevent Sponsor from renting Unsold Residential Units.

Prospective Purchasers should be aware that they potentially may be living with non-purchasing occupants in many of the Residential Units for an indefinite period, depending upon market conditions. After the expiration of the Section 421-a tax exemption benefits (as described in the Section of the Plan entitled "Real Estate Tax Exemption Benefits"), in Sponsor's sole discretion, non-purchasing occupants (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same building services and use the Building's amenities (e.g., the fitness room, laundry room) as owner-occupants, however, they have no investment in their Residential Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's Facilities and amenities.

CONTROL BY SPONSOR

The Condominium Board shall initially consist of 3 persons designated by Sponsor at or before the First Closing who will serve until the First Annual Meeting of Residential Unit Owners ("First Annual Meeting") called by the Condominium Board to elect a new 7 person Condominium Board. The First Annual Meeting will occur on or about the earlier of one year after the First Closing or within 30 days of the conveyance by Sponsor of more than 50% of the aggregate Common Interests appertaining to all Residential Units. The First Annual Meeting shall be held not less than 10 days nor more than 40 days after the sending of the notice.

At all elections held during the period ending on the earlier of: (i) the Closing of Title with Purchasers under the Plan to Residential Units having more than 50% of the aggregate Common Interests appertaining to all Residential Units; or (ii) 5 years after the First Closing (the "Initial Control Period"), Sponsor shall control the Condominium Board. Through control of the Condominium Board, Sponsor, effectively shall have control of the maintenance and operation of, and the services to be provided by the Condominium and will determine the Common Charges to be paid by all Residential Unit Owners.

After the Initial Control Period, Sponsor, as Holder of Unsold Residential Units, shall continue to have the right to vote all of the Common Interests attributable to Residential Units owned by Sponsor and shall designate no more than 2 Residential members, for so long as the Common Interests attributable to the Unsold Residential Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests attributable to all Units; and thereafter, one member, for so long as Sponsor owns at least one Unsold Residential Unit.

For so long as Sponsor shall continue to own Unsold Residential Units representing at least 25% of the Common Interest attributable to all Units, but in no event later than 5 years after the First Closing, whichever shall first occur, the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit unless required by Law, (b) assess any Common Charges, Residential Common Charges or Special Assessments for the creation of, addition to or replacement of all or part of a reserve, working capital, contingency or surplus fund, (c) increase or decrease the number of, 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 (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is deemed required (and no other reasonable alternative is available) to enable the Condominium to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium, or to remedy any notice of violation or to remedy any work order of an insurer.

The Condominium Board may not, without the consent of Sponsor, reduce, modify or eliminate any services provided to Non-Purchasing Tenants under the Rent Laws or their tenancies or as may be otherwise required by Law.

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board, which shall initially be comprised of 3 members designated by Sponsor. As stated in the Section of the Plan entitled "Control by Sponsor," at the First Annual Meeting, the incumbent Condominium Board shall resign and the Unit Owners shall elect a new Condominium Board consisting of 7 members, 5 of whom shall be elected or designated in accordance with the terms of the By-Laws by the Unit Owners (including Sponsor) (collectively, the "Residential Members") and two of whom shall be designated by the Commercial Unit Owners (collectively, the "Commercial Members"). Thereafter, at each annual meeting, members of the Condominium Board shall be elected (or designated by Sponsor or the Commercial Unit Owners, as the case may be) to serve until the next annual meeting thereof and until a successor has been elected and qualified.

Except for members designated by Sponsor or the Commercial Unit Owners, all Residential Members of the Condominium Board must be either Residential Unit Owners or certain parties (e.g. directors, shareholders of Residential Unit Owners) as described in the By-Laws. Except for members designated by Sponsor, no Residential Member of the Condominium Board shall continue to serve on the Condominium Board if, during such Residential Unit Owner's term of office, said member shall cease to be a Residential Unit Owner or an interested party or if a lien has been perfected against such Residential Unit and not paid.

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, 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 with the exception of delegation of duties of the Condominium Board to the Managing Agent which shall be by unanimous vote of all members.

Annual meetings of Unit Owners shall be held within approximately 30 days of the anniversary of the First Annual Meeting. At such meetings, the Unit Owners (including Sponsor as the Holder of Unsold Residential Units and the Commercial Unit Owners) shall elect the 7 members of the Condominium Board, subject to any rights of Sponsor and the Commercial Unit Owners to designate 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 upon the petition of Unit Owners having in the aggregate at least 40% of the aggregate Common Interest of all Unit Owners or upon resolution of the Condominium Board. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting of the Building to all Unit Owners of record. The notice, which will generally be given at least 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 Unit Owners, the presence in person or by proxy of Unit Owners owning more than 50% or more of the aggregate Common Interests appertaining to all 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 Unit Owners.

At all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Sponsor 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 ("Votes"). Since the Resident Manager's Unit is treated as a Common Element, no Unit Owner is entitled to cast the Votes appurtenant to such Unit. By way of illustration, a Unit Owner in title to a Unit with .8762% interest in the Common Interest appertaining to that Unit will be entitled to 8,762 Votes. When voting for members of the Condominium Board, the Unit Owner shall be entitled to cast such Votes for each member to be elected. Such Votes shall be cast by the Unit Owner in a non-cumulative fashion. For example, if 3 members were to be elected to the Condominium Board, that Unit Owner would be entitled to cast his Votes (8,762 in this example) for each of 3 members (or any of them) to be elected, as such Unit Owner determines.

The principal officers of the Condominium Board shall be a President, Vice President, and Secretary/Treasurer, all of whom shall be elected by the Condominium Board. Sponsor presently anticipates that the initial members of the Condominium Board shall be Philip Herman, Eric Carlson and Graham O'Brien who shall serve as President, Vice President and Secretary/Treasurer, respectively. Each of these individuals is affiliated with Sponsor or its principals. The Condominium Board may appoint additional officers. 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 Condominium Board.

The term of office of the members of the Condominium Board shall each be a one year term or until their successors are elected. There shall be no limit on the number of terms of office, successive or otherwise that a member may serve. 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 Residential member of the Condominium Board elected by the Unit Owners may be removed, with or without cause, by an affirmative vote of a majority of Residential Unit Owners who are in attendance by proxy or in person, at a special meeting called for that purpose and having a quorum of Residential Unit Owners. Additionally, the Commercial Members of the Condominium Board may only be removed by the Commercial Unit Owners who alone shall have the right to designated a replacement. The foregoing notwithstanding, Condominium Board members designated by Sponsor may only be removed and replaced, with or without cause, by Sponsor.

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

All officers, Condominium Board members and employees of the Building and of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The amount and cost of the bonds has been provided for in Schedule B. To the extent permitted by Law, members of the Condominium Board will have no liability to Unit Owners except for liability for bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing, except in the cases of bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests indemnify each member of the Condominium Board against any liability or claim except those arising out of the bad faith or willful misconduct of such member of the Condominium Board.

Generally, subject to certain exceptions concerning, among other things, Sponsor and the Commercial Unit Owners, any provision of the Declaration, By-Laws or Residential Rules and Regulations affecting (i) General Common Elements or the Unit Owners may be amended, modified, added to or deleted by affirmative vote of Unit Owners owning at least 66 2/3% of the aggregate Common Interests, (ii) the Residential Common Elements or all Residential Unit Owners may be amended, modified, added to or deleted by the affirmative vote of Residential Unit Owners owning at least 66 2/3% of the aggregate Residential Common Interest, provided, however, that (a) the percentage of Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby; (b) no amendment, modification, addition or deletion shall be effective in any way (i) without the prior written consent of Sponsor or the Holder of any Unsold Residential Unit or the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Residential Unit ("Secured Party"); or (ii) against a Commercial Unit Owner and/or a Commercial Unit without the prior written consent of the affected Commercial Unit Owner where such amendment, modification, addition or deletion of or to the By-

Laws, the Declaration or the Residential Rules and Regulations attempts to (x) modify the permitted uses of the Building or any portion thereof; or (y) affects the rights, privileges, easements, licenses or exemptions granted to Sponsor or the Holder of any Unsold Residential Unit or such Commercial Unit Owner; or (z) otherwise adversely affects Sponsor or its designee or the Holder of any Unsold Residential Unit, a Commercial Unit Owner, the Secured Party or a Permitted Mortgagee of a Commercial Unit Owner.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE CONDOMINIUM BOARD

Sales and Leases of Residential Units

Each Residential Unit Owner may sell or lease such Residential Unit Owner's Residential Unit upon compliance with the provisions of the By-Laws providing a right of first refusal to the Condominium Board, on behalf of all Unit Owners. Upon delivery to the Condominium Board by the offering Residential Unit Owner ("Owner Offeror") of a copy of the executed contract of sale or lease, the Condominium Board will have 15 business days within which to vote to elect to purchase or lease such Residential Unit at the same price or rental and on the same terms as are set forth in the contract of sale or lease and offered in good faith by a prospective Purchaser or lessee, as more specifically provided in Article 7 of the By-Laws. The Condominium Board is free to demand from the Owner Offeror affidavits and/or certifications and such other proof to establish the validity of the underlying offer. All contracts of sale and leases shall specifically state that they are subject to the issuance of a waiver of the right of first refusal. If the Condominium Board elects not to purchase or lease the Residential Unit, the Condominium Board shall deliver a waiver of the right of first refusal to the Owner Offeror within 10 days thereafter (in the event of a proposed sale or a proposed lease). A failure by the Condominium Board to act within such time frames shall also constitute a waiver entitling the Managing Agent to issue the waiver of the right of first refusal and such issuance shall have the same force and effect as executed by the Condominium Board. If the Condominium Board fails to exercise its right, the Owner Offeror shall be free to consummate the originally contemplated transaction.

If the Condominium Board affirmatively exercises its right of first refusal to purchase or to lease the Residential Unit, it or its designee shall close title or lease the Residential Unit on behalf of all Unit Owners and pursuant to the terms of the executed contract of sale or lease proffered by the Owner Offeror within sixty (60) days after the Condominium Board gives notice of its exercise of the right of first refusal. The Condominium Board may raise funds for the acquisition and maintenance of the Unit by means of a Special Assessment, increase in Common Charges, use of available reserves or borrowing funds (including financing for such acquisition). A Residential Unit acquired by the Condominium Board may be used for residential purposes only. Such Residential Unit may be sold or leased by the Condominium Board in the discretion of the Condominium Board, and the proceeds of any sale thereof will be added to the Condominium's reserve or other account in the discretion of the Condominium Board. The Condominium Board will not discriminate against any person on any grounds prohibited by Law.

Any lease by a Residential Unit Owner 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 further 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 and the terms thereof shall not be subject to the Rent Laws.

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

A Residential Unit Owner may, as detailed in the By-Laws, lease, sell or convey the Residential Unit to individual adult Family Members, including, a spouse, child, grandchild, parent, grandparent or sibling, may convey such Residential Unit Owner's Residential Unit by gift, may devise such Residential Unit Owner's Residential Unit by will, or have it pass by intestacy, without complying with the right of first

refusal; provided, however, that each succeeding Residential Unit Owner shall be bound by, and such Residential Unit Owner's Residential Unit shall be subject to, the right of first refusal. In addition, any Residential Unit Owner may lease, sell or convey the Residential Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

The By-Law provisions setting forth the right of first refusal specifically do not apply to Sponsor, its designees, Holders of Unsold Residential Units, the Commercial Unit Owners or to certain other individuals or persons specified in the By-Laws, all of whom shall be free to sell or lease their Units without application of the right of first refusal.

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

A Residential Unit may not be conveyed unless all unpaid Common Charges, assessments and liens against such Residential Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to Closing. Except with respect to sales or leases by Sponsor, its designees, the Holder of Unsold Residential Units and the Commercial Unit Owners, the Condominium Board may establish reasonable fees in connection with the sale or leasing of Residential Units and the Managing Agent may establish reasonable fees for the processing of applications to the Condominium Board for the waiver of the right of first refusal.

Notwithstanding anything contained herein to the contrary, prior to the Closing of Title to a Residential Unit, the Purchase Agreement prohibits a Purchaser from listing such Residential Unit for resale or rental with any broker or listing agent 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.

Use of Units

Residential Units shall be used for residential purposes only. No transient tenant may be accommodated in a Residential Unit, except in Unsold Residential Units, as permitted by Law.

The Commercial Units may be used for any legally permitted purpose. No assurance, representation or warranty is given that any tenants, occupants, or uses of the Commercial Units will not be objectionable to Residential Unit Owners or other parties.

The Condominium Board may, in its sole discretion, permit a 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 may, without the permission of the Condominium Board (a) use or grant permission for the use of any Unsold Residential Unit or Commercial Units for any other purpose, provided such use is permitted by Law, does not violate the then existing Certificate of Occupancy covering such Unit and the user of such Unit complies with all applicable governmental regulations; (b) retain ownership of one or more Residential Units or Commercial Units anywhere in the Building for use as models and sales, management, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium or in buildings in which principals of Sponsor may have an interest; and (c) utilize the portions of the seventh floor currently designated as the

cinema room and the business center for such management, sales and promotional purposes, without any charges to the Sponsor.

Each Residential 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 Residential Unit. Each Residential Unit Owner shall install at such Residential 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.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Building or any portion thereof. All valid laws, zoning ordinances and regulations 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 Owner or Condominium 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 to Sponsor or Selling Agent or Commercial Unit Owners with respect to Unsold Residential Units and Commercial Units.

No awnings, heating or air-conditioning equipment shall be installed or modified in the Building without prior written approval of the Condominium Board. No radio or television aerial, satellite dishes or other similar device shall be erected, affixed or installed 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. The foregoing restrictions shall not apply to Sponsor, the Holder of Unsold Residential Units or Commercial Unit Owners.

No pets may be kept in a Residential Unit without the consent of the Condominium Board or the Managing Agent. In no event will a Residential Unit Owner be entitled to maintain more than one pet in any Residential Unit without the consent of the Condominium Board. Each Residential Unit Owner who keeps any type of pet in such Residential Unit Owner's Residential Unit will be required to abide by any and all Residential Rules and Regulations of the Condominium Board adopted with respect thereto and indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from the acts of such pet.

Each Residential Unit Owner shall keep such Residential Unit Owner's Residential Unit in a good state of preservation and cleanliness and each Residential Unit Owner shall be obligated to maintain and keep in good order and repair such Residential Unit Owner's Residential Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Residential 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 Sponsor or Unsold Residential Units may be made unless agreed to by Sponsor). Further restrictions on the use and leasing of Residential Units are set forth in the By-Laws and Residential Rules and Regulations.

Mortgage of Residential Units by Residential Unit Owners

Each Residential Unit Owner may mortgage such Residential Unit Owner's Residential Unit in whatever amount and whatever terms as the Residential Unit Owner can obtain, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by the Residential 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

customarily used by lenders making loans secured by individual Residential Units, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against such Residential Unit Owner's Residential Unit, other than Permitted Mortgages.

Sponsor and the Commercial Unit Owners shall have the right to mortgage any Unsold Residential Unit and any Commercial Unit, as the case may be, without any restriction or limitation. As more particularly set forth in the Section of the Plan entitled "Amendments to Condominium Document," in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Residential Rules and Regulations.

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 based upon usage of certain services by such Unit Owner or upon their respective Common Interest as more fully set forth in Schedule B of the Plan and in the By-Laws. Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, (b) water charges and sewer rents; (c) real estate taxes, and assessments levied with respect to the Property (until the same are separately assessed and billed to individual Units); (d) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Unit, (e) insurance premiums, and legal and accounting fees, and (f) expenses associated with the Resident Manager's Unit. In addition, the Condominium Board may accumulate reserves for capital expenditures or otherwise, subject to the requirement that for so long as Sponsor continues to own Unsold Units representing at least 25% of the Common Interest attributable to all Units, but in no event later than 5 years after the First Closing, whichever occurs first, Sponsor's prior written consent must be obtained to assess Common Charges, Residential Common Charges or Special Assessments for the creation or replacement of, or the addition to, any or all part of a working capital, reserve, contingency or surplus fund.

The respective percentages of Common Interest, as estimated by Sponsor, are allocated pursuant to the method set forth in Real Property Law ("RPL") Section 339-i(1), in the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all of the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements, in accordance with subsection (ii).

At least annually, the Condominium Board will prepare a budget for Common Expenses, allocate as aforesaid and assess Common Charges to meet Common Expenses, contingencies, repairs and/or replacements as the Condominium Board determines to be in the best interests of the Condominium. Unless otherwise determined by the Condominium Board, Common Charges will be payable monthly to the Condominium Board in advance on the first day of each month.

Common Charges and Special Assessments: Collection and Lien for Non-Payment; Attachment of Rent

Under the provisions of RPL 339-z and the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges and/or Special Assessments together with interest thereon, assessed against such Unit, and, where applicable, a lien on each Unit for the replenishment of the funds required to be maintained to provide services required to Non-Purchasing Tenants as more fully set forth in the Section of the Plan entitled "Obligations of Purchasers of Residential Units Occupied by Non-Purchasing Tenants." 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) in like manner as the foreclosure of a mortgage on real property or an action may be brought by Condominium Board to recover unpaid Common Charges without foreclosing such lien.

No Unit Owner may exempt himself from liability for such Unit Owner's Common Charges and Special Assessments by waiving use of any of Common Elements or by abandonment of such Unit Owner's Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges and Special Assessments 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 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 Special Assessments thereafter accruing.

Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or Purchaser of a Unit shall be entitled to a statement (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 personally 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 will 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 Unit Owners.

In addition, the Condominium Board may assess Residential Unit Owners a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due (less any "late charges" theretofore collected), plus all expenses of collection, including but not limited to reasonable attorneys' fees and costs. Sponsor obligates itself to cause any members of the Condominium Board related to or affiliated with Sponsor to vote in favor of filing a lien against any Unsold Residential Units with respect to which payments of Common Charges have not been made within 30 days after the date when due.

RPL §339- jj – Borrowing by Condominium

Real Property Law §339-jj, authorizes the Condominium Board to incur additional debt on behalf of the Condominium (when required in connection with the operation, repair, restoration, maintenance, addition, improvement, alteration and replacement of the Common Elements and/or the Units) (beyond that set forth in Schedule B) provided that such debt (a) is incurred no earlier than the 5th anniversary of the First Closing and (b) if $250,000 or more in any fiscal year, is approved by the affirmative consent of Unit Owners owning at least 66 2/3% of the aggregate Common Interests as set forth in the By-Laws or if less than $250,000 shall require the affirmative consent of at least 5 of the 7 members of the Condominium Board. Regardless of amount, any such debt may be secured by future income and Common Charges and/or Special Assessments in which event the Common Charges and/or Special Assessments 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. The foregoing notwithstanding, the Condominium Board's acquisition of the Resident Manager's Unit on behalf of all Unit Owners is not secured by the Common Elements but by the Resident Manager's Unit itself.

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, routine maintenance, repairs and replacements, (a) in or to any Unit (other than to the Common Elements included therein), including the individual incremental heating and cooling systems, the interior side of entrance doors thereto and Terrace doors, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements will be made by the Condominium and the cost and expense thereof will be charged to the Condominium and be payable by all Unit Owners as a General Common Expense, and (c) in or to the Residential Common Elements shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense.

Notwithstanding the above, all normal maintenance and repairs to any Terrace (including trellises, fixtures, faucets and electrical outlets on or servicing the Terrace) shall be made by the Residential Unit Owner having exclusive access to same, at such Residential Unit Owner's sole cost and expense, but any structural repairs to such Terrace (including any leaks which are not caused by the negligence 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 Residential Common Expense. In accordance with the By-Laws, the Condominium Board may require a Residential Unit Owner to remove plantings, roof surfaces and other installations on such Residential Unit Owner's Terrace, if the Condominium Board determines that such plantings and other installations adversely affect the integrity of the Terrace or otherwise impede access to areas requiring structural repairs, replacements or maintenance. The cost and expense associated with the removal and replacement of planting, installations and affected roof surfaces are to be borne by the responsible Residential Unit Owner.

The interior and exterior glass surfaces of all windows located in any Residential Unit and in Terrace doors 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. Any replacement of glass windows or sashes in any Residential Unit or glass Terrace door because of breakage or otherwise shall be at the sole cost and expense of the owner of such Residential Unit (unless such breakage is caused by the Condominium or the negligence of any other Residential Unit Owner, in which event such replacement will be at the sole cost and expense of the Condominium or such responsible Residential Unit Owner). No replacement, modification or alteration may be made to or of the windows (other than replacement of broken glass or window sashes) without the consent of the Condominium Board.

The By-Laws provide that each Residential Unit (and all Terraces) and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof, Terrace or other part of the Property exposed to the elements, free of snow, ice, debris and water accumulation) by the Residential Unit Owner or by the Condominium, whichever is responsible for the maintenance thereof. In addition, the Residential Unit Owner is responsible for replacing and/or repairing the fixtures, bulbs, exposed waterlines, trellises and electrical outlets on such Unit Owner's Terrace. No trellis may be removed or altered. In the event any Residential Unit Owner fails to keep such Residential Unit Owner's Residential Unit or Terrace in such condition, the Condominium may, at the expense of such Residential Unit Owner, enter such Unit or upon such Terrace and perform such acts as are necessary to cure such default. A Residential Unit Owner shall not permit excessive noise, vibrations or odors 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 Residential Unit Owner or the Condominium, be kept in good

appearance in conformity with the dignity and character of the Building by such Residential Unit Owner or the Condominium, as the case may be.

Alterations, Additions and Improvements of Residential Units and Residential Limited Common Elements

With the exception of Sponsor and the Commercial Unit Owners in regard to the Unsold Residential Units and the Commercial Units, respectively, no Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to such Residential Unit Owner's Residential Unit or on or to a Terrace without the prior written approval of the Condominium Board. 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 or on or to a Terrace, the Condominium Board shall have the right to reasonably approve the Residential Unit Owner's contractors and suppliers and may, at its option, require the Residential Unit Owner to execute an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. Any Residential Unit Owner making or permitting an alteration, addition, improvement or repair in or to its Residential Unit is required by the By-Laws to (i) obtain the consent of the Condominium Board if relating to structural alterations additions, improvements and/or repairs, (ii) obtain such insurance as the Condominium Board may require, (iii) indemnify Sponsor, the Condominium Board, Managing Agent, Condominium's architect and the other Unit Owners against any liability arising from such alterations, additions, improvements or repairs, (iv) reimburse the Condominium Board for any architectural, engineering, legal and other fees incurred in connection with such alterations, additions, improvements or repairs, and (v) execute and enter into an alteration agreement, in form and substance prepared by the Condominium Board, setting forth the terms and conditions under which such alterations, additions, improvements or repairs, may be made, including without limitation, the days and hours during which any work may be performed. Further, the Condominium Board and Managing Agent may impose fees or deposits upon such Residential Unit Owner (except for Sponsor and Holders of Unsold Shares) to reimburse the Condominium for costs incurred in connection with the review, supervision and inspection of such Residential Unit Owner's work.

Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Residential Unit on or to a Terrace, 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 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 Sponsor or to an Unsold Residential Unit or a Commercial Unit, provided any alteration to such Unsold Residential Unit or Commercial Units 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 Condominium Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Residential Units, Terraces, Commercial 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 (collectively the "Required Documentation") and, the Condominium Board, if requested by Sponsor, is

obligated to promptly execute, and deliver, at its sole cost and expense, the Required Documentation. In addition, the power of attorney to be executed by each Residential Unit Owner upon acquisition of a Residential Unit further grants to Sponsor a power of attorney to execute the Required Documentation in accordance herewith.

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 Residential Unit, other Units or the Building, then upon the written request of Sponsor or the Condominium Board, the Residential Unit Owner shall undertake to restore the Residential Unit promptly, at such Residential Unit Owner's sole cost and expense, to its original condition. If such Residential Unit Owner fails to commence diligently and continuously restoring the Residential Unit within 15 days of receipt of the written request, then the party requesting such restoration shall be entitled to enter into and restore the Residential Unit at the expense of the Residential Unit Owner and to exercise any remedies provided in the By-Laws.

Generally, repairs, maintenance, replacements, restorations, improvements, alterations and additions in or to the Residential Common Elements (excepting certain repairs to the Terraces, as previously disclosed) will be made by the Condominium and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense. Repairs, maintenance, replacements, restoration, improvements, alterations and additions in or to the General Common Elements will be made by the Condominium and the cost and expense thereof will be charged to all Unit Owners as a General Common Expense.

Sponsor and the Commercial Unit Owners, without the consent of the Condominium Board, the Managing Agent or other Unit Owners may make any alteration, combination, addition, improvement or repair in or to any Unsold Residential Unit, any Commercial Unit or the Common Elements, including, but not limited to, structural and non-structural alterations and subdivide, combine and change boundary walls of their respective Units, provided that the work is performed by Sponsor or such Commercial Unit Owner in compliance with governmental laws and regulations and in accordance with all conditions described in the Declaration. In addition, Sponsor or such Commercial Unit Owner may erect, maintain, repair and replace, or permit its agents 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.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any Managing Agents, managers, Resident Manager and other persons authorized by the Condominium Board, will have a right of access to any Unit and all Common Elements for the purposes of performing installations, alterations or repairs to the mechanical or electrical services of the Condominium 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 or governmental regulation, 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 Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Unit of performing alterations, repairs and work in or about Unsold Residential Units or Commercial Units or the Common Elements and in fulfilling Sponsor's obligations under the Plan, provided that access to any Unit

may be exercised in such manner as will not unreasonably interfere with the use of such Unit for its permitted purposes.

Compliance with Terms of Declaration, By-Laws and Residential Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Declaration, the By-Laws, and, in the case of Residential Unit Owners, the Residential Rules and Regulations and the decisions adopted pursuant thereto. 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 Residential Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

Repair or Reconstruction after Fire or Other Casualty

If the Building or any Common Elements thereof are damaged or destroyed by fire or other casualty, the Condominium Board with respect to any damage to or destruction of the Common Elements will, except as set forth below, arrange for the prompt repair and restoration thereof (including the Common Elements contained in each Residential Unit, but excluding fixtures, furniture, furnishings, floor coverings, wall coverings, carpeting, appliances, or other personal property or fixtures not constituting a part of such Residential Unit as such term is defined in the Declaration). If the insurance proceeds are insufficient to cover the cost of repairs or restorations, Unit Owners may be assessed for deficits, if any, in insurance proceeds. Any surplus insurance proceeds shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there have first been paid out of his share of such funds such amounts as may be necessary to reduce unpaid liens on his Unit other than mortgages that are not Permitted Mortgages, in order of priority of such liens.

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 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.

If 75% or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective percentage interest in the Common Expenses, after first applying the share of net proceeds of such sale otherwise payable to any Unit Owner to the payment of 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 Condominium Board which shall be entitled to adjust such loss 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.

Records

The Condominium Board or the Managing Agent shall keep detailed records of the actions of the Condominium Board and the Managing Agent, minutes of the meetings of the Condominium Board, minutes of the meetings of the Unit Owners, financial records and books of account of the Property and copies of the Plan and all amendments thereto. The financial records and books shall contain a chronological listing of receipts and expenditures, as well as a separate account for each Unit which among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. An annual report of the receipts and expenditures of the Condominium, by an independent certified public accountant, certified so long as Sponsor is in control of the Condominium Board, shall be submitted by the Condominium Board to all Unit Owners within 5 months after the end of each fiscal year. The fiscal year shall be a calendar year. In addition, the Condominium Board shall give all Unit Owners prior notice of the annual Unit Owner's meeting and a copy of the proposed annual budget within no less than 30 days of the date set for adoption thereof by the Condominium Board.

Insurance

The Condominium is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit as such term is defined in the Declaration), together with all Facilities contained therein and covering the interests of the Condominium, the Condominium 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); (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 Managing Agent, Condominium Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine. Each Unit Owner shall be an additional insured.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws. The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting of the Unit Owners shall be in at least the sum set forth in 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 10 days' prior written notice to the Condominium Board and to all of the insureds, including all Unit Owners and Permitted Mortgagees who have requested the same from the Condominium Board in writing.

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance and excess umbrella coverage against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as such Condominium Board may from time to time determine, covering (i) the Condominium Board, the Managing Agent or agents thereof, the Condominium Board members and each officer and employee of the Condominium and (ii) each

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 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. The Condominium Board is not required to obtain or maintain any insurance with respect to any fixtures, furniture, furnishings or other personal property contained in a Unit and the insurance maintained by the Condominium Board will not insure such items. Pursuant to the By-Laws, each Residential Unit Owner shall, at the Residential 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 Residential Unit or any part thereof, with minimum combined single limits of liability of $300,000 for bodily injury or death arising out of any one occurrence including $300,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Residential Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. Evidence of such insurance must be provided by the Purchaser at the Closing of Title of each Residential Unit and thereafter, whenever requested by the Condominium Board or the Managing Agent.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation, if available, and further provided that the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Liability of The Condominium Board and Unit Owners

Every contract made by the Condominium Board or by any Managing Agent shall state that (a) it is made only as agent for all Unit Owners, and the Condominium Board members or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (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, and (ii) to the extent permitted by Law, unless otherwise determined by the Condominium 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, Condominium Board members shall have no liability to Unit Owners except with respect to liability for such member's own bad faith or willful misconduct or that of their guests, employees or agents. 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 or that of their guests, employees or agents. The Condominium Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor, Managing Agent, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

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 100% of the Commercial Unit Owners and a minimum of 80% in number and in Common Interest of all Residential Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor has conveyed title to all Units, provided that in no event shall Sponsor's consent be required more than 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 case the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective percentage interest in the Common Expenses after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any unpaid 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 The Condominium Board

Including the Resident Manager's Unit, which will be acquired by the Condominium Board on behalf of all Unit Owners, all Units acquired or leased by the Condominium or their designees shall be held on behalf of all Unit Owners, and the rent or Purchase Price, closing costs and adjustments payable in connection therewith shall be assessed against all Unit Owners. No Units held by either the Condominium or the Condominium Board shall carry any voting rights.

The purchase of any Unit by the Condominium or its designee, on behalf of the Unit Owners, may be made from the funds deposited in the reserve and/or operating accounts of the Condominium. If the funds in such accounts are insufficient to effectuate any such purchase, the Condominium Board, in compliance with the applicable provisions of the By-Laws, may levy an assessment against each Unit Owner, in proportion to such Unit Owner's respective Common Interest, as a Common Charge, and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that any such assessment or 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 (other than Unsold Residential Units, as to which Sponsor reserves the right to pursue independent proceedings, at Sponsor's sole discretion). All affected Residential Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Residential Common Interests.

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created against only the Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements (or Residential Common Elements or Residential 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 and Name of Condominium

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, the Commercial Unit Owners, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use the 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 Units for their permitted purposes. In addition, Sponsor and the Commercial Unit Owners and the Commercial Unit Owner's tenants, invitees, contractors, agents, licensee, occupants and the holder of any mortgages on the Commercial Units shall have easements (without the consent of the Condominium Board and without charge or fee) (i) for ingress and egress through the General Common Elements and the Residential Common Elements for the sole purpose of accessing any portion of the Commercial Units or any portions of the Building servicing the Commercial Units, (ii) to erect, use, lease, license, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment on any part of the Commercial Units and on the roofs and façade of the Building which are General Common Elements (and, with respect to Sponsor only, on the Residential Common Elements) and to utilize any risers, conduits, piping, cables, ducts and electrical panel rooms, telephone/cable panels and rooms in connection therewith, including the exclusive right to lease or license such facilities and to receive rent or other consideration for such lease or license; and (iii) to install, maintain, use, repair, and replace pipes, risers, ducts, flues and equipment necessary for providing heat, air-conditioning, exhaust or ventilation on any part of the Commercial Units and on the roofs and façade of the Building and on the General Common Elements (or, with respect to Sponsor only, on the Residential Common Elements).

In addition, Sponsor and the Commercial Unit Owners shall have an easement to erect, maintain, repair and replace lights and lighting fixtures and any sign permitted by Law on the Property (including, but not limited to, the exterior walls of the Building) for the purpose of advertising the sale of any Residential Unit, Commercial Unit or portion thereof, the leasing of space in any Unit and the operation of any business of a Commercial Unit Owner or tenant or occupant of any portion of a Unit.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "Wellington Tower Condominium." 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 Condominium Board or Unit Owner.

The Declaration and By-Laws

A copy of the proposed Declaration and a copy of the proposed 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.

Amendments

Generally, subject to certain exceptions concerning, among other things, Sponsor and the Commercial Unit Owners, any provision of the Declaration, By-Laws or Residential Rules and Regulations affecting (i) General Common Elements or the Unit Owners may be amended, modified, added to or deleted by affirmative vote of Unit Owners owning at least 66 2/3% of the aggregate Common Interests, (ii) the Residential Common Elements or all Residential Unit Owners may be amended, modified, added to or deleted by the affirmative vote of Residential Unit Owners owning at least 66 2/3% of the aggregate Residential Common Interest, provided, however, that (a) the percentage of Common Interest appurtenant to

each Unit may not be altered without the written consent of all Unit Owners directly affected thereby; (b) no amendment, modification, addition or deletion shall be effective in any way (i) without the prior written consent of Sponsor or the Holder of any Unsold Residential Unit or the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Residential Unit ("Secured Party"); or (ii) against a Commercial Unit Owner and/or a Commercial Unit without the prior written consent of the affected Commercial Unit Owner where such amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Residential Rules and Regulations attempts to (x) modify the permitted uses of the Building or any portion thereof; or (y) affects the rights, privileges, easements, licenses or exemptions granted to Sponsor or the Holder of any Unsold Residential Unit or such Commercial Unit Owner; or (z) otherwise adversely affects Sponsor or its designee or the Holder of any Unsold Residential Unit, a Commercial Unit Owner, the Secured Party or a Permitted Mortgagee of a Commercial Unit Owner.

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 nonpayment 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 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 as Common Charges.

The Property currently receives a partial tax exemption ("421-a Benefits") under Section 421-a of the Real Property Tax Law ("Section 421-a") as more fully set forth in the Section of the Plan entitled "Real Estate Tax Exemption Benefits."

The New York City real estate taxes for the projected first year of condominium operation, which have been estimated by Sponsor's real estate tax consultant, Marcus & Pollack LLP, to be $1,302,800, are based upon the projected 2006/2007 Taxable Assessed Valuation of $10,307,118, respectively, and an estimated tax rate of $12.64 per $100 of assessed valuation for the 2006/2007 tax year for Residential Units. For the tax years 2006/2007, the 421-a exemption percentage will be 60%. No representation is made or assurance given as to what the actual tax rate or assessed valuation will be for such period. The tax rate and assessed valuations for the current and two preceding tax years are as follows:

Tax Year	Tax Rate per $100 of Assessed Valuation	Transition Assessed Valuation	Actual Assessed Valuation	Exemption %	Exemption	Taxable Value	Annual Real Estate Tax
2005/2006	$12.396*	$21,825,000	$21,915,000	60%	$11,481,586	$10,343,414	$1,282,170
2004/2005	$12.216	$21,798,000	$19,260,000	80%	$13,349,122	$5,910,878	$722,073
2003/2004	$12.620	$22,572,000	$22,410,000	80%	$15,755,722	$6,654,278	$839,770

*Proposed class 2 tax rate. Sponsor makes no representation concerning actual tax rates for fiscal year 2005/2006.

The Property benefits from a 421-a real estate tax exemption, which commenced in tax year 2001/2002 and will expire after tax year 2010/2011. See the Section of the Plan entitled "Real Estate Tax Exemption Benefits."

In no event shall the aggregate of the assessment of the Units plus their Common Interests exceed the total valuation of the Property were the Property assessed as one parcel.

The estimated real estate taxes for each Unit for the projected First Year of Condominium Operation assumes that the amount of real estate taxes payable with respect to each Unit will be levied in the proportion that its Common Interest bears to the Common Interests of all Units. There is no assurance that the New York City taxing authority will allocate taxes among Units in proportion to their respective Common Interests. New York City has recently indicated that it may allocate taxes among Units based on "value" (although it has not defined the term "value"). If real estate taxes are so allocated, Owners of Units having the same Common Interest may pay different amounts of real estate taxes. Until the Units are separately assessed, the Condominium Board or Sponsor, as the case may be, will pay all real estate taxes with respect to the Property and will allocate and charge the cost thereof among all Unit Owners in proportion to each Unit's percentage interest in the Common Expenses. Once the Units are separately assessed, each Unit will be taxed as a separate tax lot and no Unit Owner will be responsible for the payment of, nor will any Unit be subject to any lien arising from the non-payment of taxes on any other Unit.

See the Sections of the Plan entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium" and "Opinions of Counsel" for a discussion concerning the deductibility of real estate taxes and mortgage interest payments paid with respect to a Residential Unit.

The projected income tax deduction for real estate taxes may vary in future years due to changes in real property taxes resulting from the expiration of real estate tax benefits, if any, or from changes in the assessed value, the tax rate or the method of assessing real property

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 that the aggregate of the assessments of the Units, plus their interests in the Common Elements, shall not exceed the total valuation of the Property as if it were assessed as one parcel.

No representation is made or warranty given as to: (a) whether or not there will be (i) a further increase or decrease in the assessed valuation of the Property during the five year phase-in period, (ii) an increase in the tax rate, or (iii) an increase or decrease in the assessed valuation of the Property by reason of the conversion of the Property to condominium ownership or (b) the method of determining the assessed valuation, or (c) the amount of any increase or decrease in the assessed valuation of the Property; or (d) the allocation among the Units of the assessed valuation; or (e) the continuation of the Section 421-a program or the method of calculation of Section 421-a benefits.

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

The By-Laws provide that the Condominium is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Residential Unit Owners, for the benefit and on behalf of (i) all Residential Unit Owners (excepting Sponsor if Sponsor elects not to be included), or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Condominium from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

REAL ESTATE TAX EXEMPTION BENEFITS

As more fully explained in the "Attorney's 421-a Real Estate Tax Exemption Benefits Opinion Letter" of Sponsor's Special Counsel set forth in the Section of the Plan entitled "Opinions of Counsel," New York City's program for partial real estate tax exemption under Section 421-a of the Real Property Tax Law of the State of New York ("Section 421-a") provides that the Residential Units qualify for the benefits of Section 421-a ("421-a Benefits"). The projections of real estate taxes payable by each Residential Unit Owner set forth in Schedule A reflect the 421-a Benefits currently in effect.

In connection with the New York Department of Housing Preservation and Development's ("HPD") enforcement of the Section 421-a program, all prospective Purchasers are advised that HPD may conduct an audit which may result in a revocation of 421-a Benefits if all documents required to be filed with HPD are not so filed.

Sponsor will (i) keep all records required by HPD and make such records available to HPD whenever requested by HPD to do so and (ii) in a timely fashion file all applications required to be submitted to HPD in connection with the 421-a Benefits and otherwise comply with all procedures required by HPD to properly maintain the 421-a Benefits . In addition, Sponsor will make available to the Condominium Board all 421-a documents for inspection and copying for so long as the Residential Units receive any 421-a Benefits.

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 5 fiscal tax years in annual increments of 20% each. Any further increase in assessed valuation during such 5 year period resulting from a still higher market value is similarly phased in over an additional 5 year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the 5 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 5 year period is called the "transitional" assessed valuation.

Prospective purchasers should note that the real estate taxes that will be payable by the Unit Owners for future years will vary in accordance with the amounts of the Residential Unit's assessed valuation (transitional and actual) and of the real estate tax rate. In this regard, prospective purchasers should note that, assuming the partial exemption from real estate taxes pursuant to Section 421-a is maintained, the real estate taxes payable by the Residential Unit Owners will in any event increase periodically until the Section 421-a Expiration Date as an integral part of the Section 421-a program. The tax exemption program provides that the increase in a newly constructed building's assessed valuation over such property's assessed valuation for the fiscal year before construction began is partially exempted up to a maximum of 100% for two years (plus the period of construction, not to exceed 3 years), up to 80% for the next two years, up to 60% for the next two years, up to 40% for the next two years and up to 20% for the last two years of a 10 period. According to New York Department of Finance records, the Property, as of the tax year 2005/2006 is currently in its first 60% exempt post-construction year. Accordingly, the Section 421-a benefits are scheduled to decrease in the following years as set forth below and expire after the 2010/2011 tax year:

2006/2007	60% exemption
2007/2008	40% exemption
2008/2009	40% exemption
2009/2010	20% exemption
2010/2011	20% exemption
2011/2012	0% exemption

Neither Sponsor, Sponsor's Counsel, Sponsor's Special Counsel, the Selling Agent, the Managing Agent, nor any other person makes any warranty that the partial exemption from real estate taxes under

Section 421-a will not be reduced or revoked in the future, or as to the amount of the tax which will be assessed against any Unit or the amount of real estate taxes payable at any time by any Residential Unit Owner.

The tax projections found in Schedule A are merely estimates and cannot be construed as an assurance of the actual amount of real estate taxes that will be assessed or the actual amount of any 421-a Benefits.

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 income tax opinion of Olshan Grundman Frome Rosenzweig & Wolosky LLP, tax counsel to Sponsor, a copy of which is set forth in the Section of the Plan entitled "Opinions of Counsel."

OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP IS COUNSEL TO SPONSOR AND NOT THE RESIDENTIAL UNIT OWNERS. EACH PURCHASER SHOULD CONSULT SUCH RESIDENTIAL UNIT OWNER'S OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF RESIDENTIAL UNIT OWNERSHIP UNDER THE PLAN.

Deductibility of Mortgage Interest and Real Estate Taxes

Each Residential Unit Owner will own such Residential 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 Residential Unit Owner's Residential Unit in fee simple, the Owner may mortgage such Residential 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 Olshan Grundman Frome Rosenzweig & Wolosky LLP that a Residential Unit Owner who uses such Residential Unit Owner's Residential Unit as a primary residence or a designated secondary residence and itemizes such Residential 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 to the overall allowance of itemized deductions.

Taxation of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners' association," 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 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 income and interest earned on any reserve funds (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 only budgets an amount for minimum taxes that might be due.

Sponsor anticipates that the Condominium will not 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 non-membership, 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 by the Unit Owners. The tax treatment of the Condominium may be affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996.

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 Olshan Grundman Frome Rosenzweig & Wolosky LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Olshan Grundman Frome Rosenzweig & Wolosky 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 Unit Owners, or the Condominium 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 the Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to give any warranties.

The income tax deductions may vary in future years due to changes in the interest rate on a 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 estate taxes resulting from the expiration of real estate tax benefits, if any, or from changes in the assessed value, the tax rate or the method of assessing real property.

OPINIONS OF COUNSEL

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September, 2005

Wellington Fee LLC
390 Park Avenue, 3rd Floor
New York, New York 10022

Re: Wellington Tower Condominium ("Condominium")

Gentlemen:

You have requested our opinion regarding the allocation of Common Interests to the Units at the Condominium as required by NYCRR Section 23.3(y)(5). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Offering Plan ("Plan") for the Condominium.

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant Sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Diversified Valuation Group set forth in its opinion contained in the Plan as required by NYCRR Section 23.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Diversified Valuation Group.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law ("RPL") Section 339-i(1), in the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all of the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements, in accordance with subsection (ii).

Accordingly, based on the foregoing, it is our opinion that RPL Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of Law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will the Sponsor, Starr Associates LLP, the Selling Agent, the Managing Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable Law.

The opinion expressed herein is based solely on New York Law.

Very truly yours,

STARR ASSOCIATES LLP

By: s/ Allan Starr
Name: Allan Starr
Title: Partner

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January 25, 2005

Wellington Fee LLC
390 Park Avenue, 3rd Floor
New York, New York 10022

Re: Wellington Tower Condominium

Gentlemen:

In connection with the offering of condominium units under a plan entitled Condominium Offering Plan for Wellington Tower Condominium (the "Plan"), you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate taxes by individual Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

We understand that under the Plan each Unit Owner will hold title to his Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each Unit Owner may place a separate mortgage on his Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

In our opinion under present law, subject to the limitations discussed in the following paragraph and subject to limitations imposed on the deduction of itemized deductions, interest on a mortgage secured by a Residential Unit paid or accrued by owner of such Residential Unit who is liable for the interest payment on such mortgage and who uses the Residential Unit exclusively as his personal residence will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Residential Unit Owner to purchase the Residential Unit, that the Residential Unit is the owner's principal residence and that the Residential Unit Owner is an individual.

Except as provided below, residential interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Unit, this ceiling is $1,000,000, or $500,000 in the case of a married individual filing a separate return. In addition, an individual may deduct interest on an additional $100,000 of indebtedness in excess of the $1,000,000 limit mentioned above as interest on home equity indebtedness. However, special limitations may apply to the deductibility of points and prepaid interest if any.

It is also our opinion under present law that real estate taxes assessed against a Residential Unit Owner's Unit which are paid or accrued by such owner will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions.

We note that in some cases the amount of mortgage interest deductible by an individual Residential Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Residential Unit Owner subject to the regular income tax and that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax.

The mortgage interest and real estate taxes described above will also be allowable as deductions for New York State income tax purposes to a resident individual. We express no opinion with respect to these items under the New York State personal income tax on nonresidents. We also express no opinion as to the taxation of Residential Unit Owners who are not individuals.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of Wellington Tower Condominium (the "Association"), including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for federal income tax purposes. In order for the Association to qualify as an exempt organization for federal income tax purposes under Code Section 528 (a "homeowners association"), it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Residential Units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

"Substantially all the units" of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all Units within the project is used by individuals for residential purposes. Units that are used for purposes auxiliary to residential use are considered as used for residential purposes. These auxiliary purposes include laundry areas, storage rooms, and areas used by maintenance personnel. A special limitation is established for transient use. No building or Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Unit or building is occupied by a person or series of persons each of whom occupies the Unit or building for less than thirty days.

You have advised us that less than 85% of the total square footage of the Premises will be used by individuals for residential purposes. Accordingly, the "substantially all" test will not initially be met. As a result, the Association will not be eligible to elect to qualify as a tax exempt organization under Code § 528.

Since the Association fails to qualify as a "homeowners association", its status for tax purposes is unclear. It is possible that in such event the Association may be taxable as a corporation or partnership for federal income tax purposes.*

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Units. We express no views as to any federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Unit consult with his own tax advisor concerning the federal, New York State, and New York City tax consequences of the purchase and ownership of a Unit.

* Due to recent amendments to the Income Tax Regulations, Section 301.7701-2 and 3, the Association may be able to elect to be treated as a corporation for federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation. If such election is not made, then the Association may be treated as a partnership and all Unit Holders would pay tax on their proportionate share of the income of the Association.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, counsel to Sponsor, special tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

Sincerely yours,

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September 13, 2005

Wellington Fee LLC
c/o Classic Realty LLC
400 Park Avenue
New York, New York 10022

Re: Wellington Tower—Condominium Conversion
Estimation of Real Estate Taxes for The First Year of Operation
338-354 East 82nd Street
Block 1544, Lot 30, Borough of Manhattan

Gentlemen:

Pursuant to your request, we have reviewed the information furnished to us by you and/or your agents regarding the conversion of the above referenced residential apartment building property to cooperative ownership. You have asked us to estimate the real estate tax liability applicable to the cooperative for the first year of operation.

Real property tax assessments are subjective determinations made by individual assessors within the New York City Department of Finance. Accordingly, it is impossible to predict what the assessed value of the above referenced property will be. However, it is possible to estimate an approximate assessed value of a property based upon an analysis of the factors that influence market value, such as time, location, construction cost, neighborhood quality and economic trends.

Real Property Tax Law Section § 581 requires that the City Department of Finance assess residential condominiums without regard to their form of ownership. This requirement has been interpreted to mean that condominiums are to be assessed as if they were rental properties, thus requiring a valuation based upon the capitalization of income utilizing rents imputed from comparable rental properties.

Inasmuch as the subject property is currently a rental building, in estimating the assessed valuations herein we therefore relied primarily on existing residential rents and commercial leases presently in place in the subject property as well as anticipated rents. In addition, we have also examined comparable rents from other recently constructed apartment buildings in the area of the subject property.

In deriving our projected valuations, we used the income approach to value using the aforementioned rents and leases as our guide to the income, as well as historical operating expense information on the property. In analyzing the actual income and expenses of the subject we adjusted the rents and income without regard to any excess vacancy. We then capitalized our derived net income using Department of Finance guidelines to arrive at our estimated assessed values. However, all prospective purchasers are advised that although our estimate of the property's assessed valuation is a good faith estimate; the assessment when actually made may be less or greater than as estimated herein.

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

1. According to the City Department of Finance's Real Property records, the subject building is an 18 story high rise apartment building built in 1998, located at 338-354 East 82nd Street (a.k.a as 1569-1575 First Avenue). According to City records, the building presently contains approximately 208,634 gross square feet of residential space, 11,797 gross square feet of commercial retail space, 15,096 gross square feet of commercial and/or professional office space, and 19,181 gross square feet of garage space. The total floor area of the building as indicated by the Department of Finance is 254,708 gross square feet. Although we have been advised by your and/or your agents that subject contains approximately 138,239 net square feet of residential space, and approximately 41,289 net square feet of commercial space, we have relied upon the City's floor area data for purposes of our projections as the City uses gross aggregate floor area in computing assessed values.

2. You have advised that upon conversion the building will contain 149 apartments, allocated as follows: 36 studio apartments, 55 one bedroom apartments, 41 two bedroom apartments, 10 three bedroom apartments, 4 four bedroom apartments and 3 five bedroom apartments. The commercial space is comprised of one retail store, one community facility space, and one garage containing approximately 53 spaces. We have been advised that the commercial units will not be offered for sale. We have also been advised that the conversion to condominium ownership will not substantially affect the number of apartment units, or types of apartments currently in the building. We have been further advised that no major alterations are being made in connection with the conversion, nor will any additional floor area be added.

3. You have advised that the first year of condominium operation, as set forth in the Offering Plan, is expected to run from July 1, 2006 through June 30, 2007.

4. The residential units, retail unit, community/facility unit and garage unit will each be given individual tax lot designations.

Discussion

The Section 421-a Exemption

The building presently enjoys a ten year declining partial real estate tax exemption pursuant to Section 421-a of the Real Property Tax Law ("section 421-a benefits"). Section 421-a generally provides eligible newly constructed buildings a declining partial exemption from real estate taxes during the ten year period following completion of construction. Generally, the amount of the exemption is based upon the property's assessed value, subject to adjustment for the assessed value prior to construction (or "the mini-tax A.V."), and excess commercial space.[1] During the declining ten year period of exemption, for the first two tax years following completion of construction, the property is 100% exempt. The following two years are then 80% exempt, followed by two years of 60% exemption, followed by two years of 40% exemption, followed by two years of 20% exemption. City records currently reflect that the subject property, for tax year 2005/06, is currently in its first 60% exempt post-construction year. Accordingly, the Section 421-a benefits are scheduled to expire after the 2010/11 fiscal tax year.

Projected Taxes for the First Year of Operation

The projected first year of condominium operation, as set forth in the Offering Plan, will fall within the 2006/07 fiscal tax year running from July 1, 2006 through June 30, 2007. As a result, the real estate taxes for the first year of operation will be based upon the building's 2006/07 taxable assessed value.

For tax year 2006/07 we have estimated the following assessed values:

	Land	Total	Exempt (assumes 421-a exemption)
Actual	$4,000,000	$22,750,000	$12,011,612
Transitional	$4,077,800	$21,740,000	$11,432,882

[1] The amount of the exemption is to be diminished to the extent any commercial, community facility or accessory use space (or "CCFA space") exceeds 12% of the total aggregate floor area. The City's records reflect that CCFA space for the subject comprises 16.5% of the total floor aggregate floor area. Therefore, as a result, the base exemption is reduced by 4.5%. In other words, only 95.5% of the property's assessed value in excess of the "mini-tax" is eligible for 421-a benefits.

For fiscal tax year 2006/07, running July 1, 2006 through June 30, 2007, we have also estimated an applicable tax rate of 12.64%, which assumes an increase of approximately 2% above the proposed 2005/06 class 2 tax rate of 12.396%. Applying our estimated 12.64% tax rate to the estimated taxable transitional assessed value of $21,740,000, we estimate that the 2006/07 real estate taxes for the subject will be approximately $2,747,900, without regard to section 421-a benefits that may be available.

For tax year 2006/07, we estimate that the building will be into its sixth year of 421-a exemption benefits and will also be in a 60% exempt based upon the 421-a statutory formula for computing the annual amount of exemption. Using the current formula utilized by the Department of Finance for deriving 421-a exemptions, we have calculated an estimated total exemption value of approximately $11,432,882, representing the second 60% exempt year under the 421-a program. As a result of the exemption, the 2006/07 taxable assessed value of the building would be reduced to $10,307,118 ($21,740,000 - $11,432,882). Applying our estimated tax rate of 12.64% to the estimated total taxable assessed value of $10,307,118, we estimate that the real estate taxes for the entire condominium will be approximately $1,302,800 for tax year 2006/07 after application of Section 421-a benefits.

Accordingly, based on the above, we estimate that the real estate taxes for the period 7/01/06 to 6/30/07 (the first year of operation) will be approximately $2,747,900 without regard to any section 421-a exemption benefits. Assuming the application of Section 421-a exemption benefits, we estimate that the real estate taxes for the first year of operation would be $1,302,800.

We note that once apportioned into individual condo units and tax lots, the residential apartment units will generally not be burdened by the diminution in exemption caused by the excess commercial space discussed on page 3 *infra*. The 4.5% diminution will instead be applied first to the separately assessed commercial and community facility units, and only after such separately assessed units are fully taxable, shall the remainder, if any, be apportioned pro rata among the remaining separately assessed units. See Real Property Tax Law Section 421-a(d).

The above projections are estimates and do not take into account any future increases in the level of assessed valuation applied to residential property, any future increases in the real estate tax rate for residential properties, or any subsequent increases in transitional assessed value. Our projections also assume that there will be no changes in the 2005/06 tentative actual or transitional assessed valuation of the property. The above opinion is based upon our understanding of the policies, procedures and practices of the New York City Department of Finance and is not intended to be a guarantee or assurance that the tax assessments of taxes herein listed will be attained. While we believe our opinions are well founded, they are not intended, and should not be construed

as representations or warranties that the assessment and taxes will be determined as set forth herein.

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 practices regarding newly constructed residential properties. Application of a particular approach to valuation by an individual assessor may yield a significantly different result. We therefore caution that if the Department of Finance were to derive its assessed valuation of the property by using a different methodology, or by imputing higher rents or by changing it's target market values, then the taxable assessed value of the building for the tax years following the 2005/06 and 2006/07 tax years could be much higher. Moreover no assurances are made, nor warranties given that the Department of Finance will calculate the 421-a exemption in the amounts set forth herein, or will calculate the exemptions using the same formula adopted for this opinion.

No representation is made that the current policies and practices of the New York City Department of Finance will apply at the time the building is converted. You should be aware that the laws, regulations, policies 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. This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. No government agency has passed upon these figures or the estimates of assessed valuation and taxes herein. We have not passed on the accuracy of any figures or estimates contained in the Offering Plan, and offer no warranties on real estate taxes for any period.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Marcus & Pollack LLP

MARCUS & POLLACK LLP

RESERVE FUND

The New York City Council enacted Local Law 70 which amended Chapter 51 of the Administrative Code of the City of New York (the "Reserve Fund Law"), the full text of which is set forth in Part II of the Plan. The Reserve Fund Law requires the sponsor of an offering plan for the conversion of a building from rental to condominium status to establish a reserve fund (the "Reserve Fund") to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such building. The Reserve Fund shall be provided by Sponsor and shall be in addition to any Working Capital Fund established.

Sponsor shall, within 30 days after the First Closing, establish and transfer to the Condominium Board, a Reserve Fund in an amount equal to either:

(i) 3% of the sum of the cost of all Residential Units offered for sale pursuant to the Plan at the last price which was offered to tenants in occupancy of the Building prior to the Effective Date of the Plan regardless of the number of sales made (the "Total Price"), or

(ii) (A) 3% of the actual sales prices of all Residential Units offered for sale pursuant to the Plan which are sold by Sponsor at the Effective Date, provided, however, that if such amount is less than 1% of the Total Price, then the Reserve Fund shall be established as a minimum of 1% of the Total Price; plus

(B) supplemental contributions to be made by Sponsor at a rate of 3% of the actual sales price of Residential Units for each Residential Unit held by Sponsor and sold to bona-fide Purchasers subsequent to the Effective Date of the Plan and within 5 years of the First Closing notwithstanding that the total amount contributed may exceed 3% of the Total Price; and provided, further, that if 5 years from 30 days after the First Closing, the total contributions by Sponsor to the Reserve Fund are less than 3% of the Total Price, Sponsor shall pay the difference between the amount contributed and 3% of the Total Price. The supplemental contributions made under this subparagraph (B) shall be made within 30 days of each sale of a Residential Unit under the Plan.

The Reserve Fund may not be reduced by closing apportionments but Sponsor may receive credit against the mandatory initial contribution for the actual cost of capital replacements begun after the Plan is submitted for filing to the Department of Law and before the Plan is declared effective. Such credit may not exceed the lesser of the actual cost of the capital replacements or 1% of the Total Price. To the extent any such capital replacements are not disclosed in the Plan, the Plan will be amended to disclose any items to be replaced and the actual or estimated cost thereof. See the Section of the Plan entitled "Rights and Obligations of Sponsor," subsection "Sponsor's Undertaking with Respect to Certain Improvements and Replacements to the Common Elements."

The exact amount of the Reserve Fund under the Reserve Fund Law cannot be determined until the First Closing since it depends on which option Sponsor chooses under the Reserve Fund Law. Under no circumstances will the Reserve Fund be less than 2% of the Total Price. No Purchaser will be entitled to rescind his Purchase Agreement solely because the actual amount of the Reserve Fund is less than the estimated amount.

The Reserve Fund Law also requires Sponsor not later than the 30th day following the Filing Date of the Plan and until the First Closing to post and maintain in a prominent place accessible to all tenants in the Building a list of all violations of record against the Building as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations must be posted within 48 hours of their issuance or will be made available by the Resident Manager at the Building for inspection by the tenants.

In the event that at any time prior to the First Closing, the Reserve Fund Law is repealed, Sponsor will not be obligated to comply with its requirements and may not provide a Reserve Fund. In such event, all Purchasers will be given 15 days after receipt of an amendment disclosing such repeal of the Reserve Fund Law to rescind their Purchase Agreements and be refunded all monies paid thereunder. In the event that on or after the First Closing, the Reserve Fund Law is repealed, Sponsor agrees to comply with its requirements as set forth in the Plan notwithstanding such repeal.

No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items, and if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or levy a Special Assessment against the Unit Owners. While Sponsor is in control of the Board, the Reserve Fund may only be used for capital expenditures and replacements and may not be used to reduce Common Charges.

THE PROPERTY IS BEING OFFERED IN ITS CURRENT CONDITION "AS IS," WITH NO REPRESENTATIONS OR UNDERSTANDINGS EXCEPT AS EXPRESSLY SET FORTH HEREIN. SPONSOR OR THE SELLING AGENT WILL HAVE NO OBLIGATION TO MAKE ANY REPAIRS OR IMPROVEMENTS EXCEPT AS MAY BE SPECIFICALLY SET FORTH IN THE PLAN OR REQUIRED BY LAW. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND OR UPON THE PHYSICAL CONDITION OF THE BUILDING.

WORKING CAPITAL FUND AND APPORTIONMENTS

Closing Apportionments

At the First Closing, Sponsor will apportion with the Condominium the following items as of midnight of the date preceding said Closing:

(1) employees' wages, vacation, sick and severance pay, health, pension, welfare and annuity benefits and accruals and all other payments or obligations relative to the employees of the Building;

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the Common Elements;

(4) cost of fuel on hand (plus sales tax), if any;

(5) charges and receipts in connection with service, maintenance and concession contracts;

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any; and

(9) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned. Closing apportionments in favor of Sponsor will be evidenced by an unsecured, interest-free promissory note in favor of Sponsor providing for 12 equal monthly payments of principal only to mature on the first anniversary of the First Closing ("Closing Apportionment Note"). Since these closing apportionments represents a pre-payment of certain Condominium operating expenses by Sponsor, the Closing Apportionment Note will be repaid from Common Charges and other income generated by the Condominium during the first year of condominium operation.

Working Capital Fund

On all initial sales of Residential Units by Sponsor and all resales by Residential Unit Owners, the Purchaser of each Residential Unit (other than Sponsor or a Holder of Unsold Residential Units) shall be required to make a contribution at the Closing of such Residential Unit Owner's Residential Unit(s) to the working capital fund of the Building ("Working Capital Fund"). Such contribution shall be in an amount equal to two (2) months' Residential Common Charges then in effect for such Residential Unit(s). Assuming all of the Residential Units closed title as of the First Closing, the Working Capital Fund would equal approximately $254,200 based upon the First Year's Budget.

The Working Capital Fund will be held and used for working capital, for closing costs and adjustments in connection with the purchase of the Resident Manager's Unit by the Condominium (on behalf

of the Unit Owners), or for such other appropriate purposes as will be determined by the Condominium Board and, accordingly, for this reason and due to the method of funding, 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. While Sponsor controls the Condominium Board (see the Section of the Plan entitled "Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Common Charges. While the Residential Members of the Condominium Board may assess Residential Common Charges to augment the Working Capital Fund, Sponsor may veto such action, but in no event beyond the 5th year after the First Closing.

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 Condominium 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 Sponsor and/or Unit Owner approval. In addition, pursuant to the By-Laws the Condominium Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets subject in certain instances to Sponsor approval. 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.

Working Capital Fund Advance

At the First Closing, Sponsor will advance on behalf of the Condominium the sum of $25,000 as an initial deposit into the Working Capital Fund ("Working Capital Fund Advance"). The Working Capital Fund Advance, which will be evidenced by an interest-free one-year promissory note in favor of Sponsor secured by the Working Capital Fund, will provide for repayments of principal only from the first moneys received into the Working Capital Fund from initial sales and/or resales of Residential Units. The term of the promissory note will be extended by Sponsor until payment in full is made.

Resident Manager's Unit Advance

At or after the First Closing, Sponsor will advance on behalf of the Condominium, the costs associated with the Closing of Title to the Resident Manager's Unit (estimated to be approximately $65,000) ("Resident Manager's Unit Advance") to the extent that the Working Capital Fund is not sufficient to pay these costs. The Resident Manager's Unit Advance, which will be evidenced by an interest-free one-year promissory note in favor of Sponsor secured by the Working Capital Fund, will provide for repayments of principal only from the first moneys received into the Working Capital Fund from initial sales and/or resales of Residential Units immediately after the Working Capital Fund Advance has been repaid to Sponsor. The term of the promissory note will be extended by Sponsor until payment in full is made. See the Section of the Plan entitled "Description of Property" under the subsection "Resident Manager's Unit" for more details.

MANAGEMENT AGREEMENT

At the First Closing, the Condominium will enter into a Management Agreement with Classic Realty LLC ("Managing Agent") with an office at 400 Park Avenue, New York, New York 10022. The Managing Agent is affiliated with the Sponsor in that Aby Rosen and Michael Fuchs are principals of both the Sponsor and the Managing Agent.

The Management Agreement shall commence as of the First Closing ("Commencement Date") and shall continue for a two (2) year term. The Condominium Board may not terminate the Management Agreement during such period except on the grounds of the Managing Agent's gross negligence or willful misconduct. The Managing Agent will receive in equal monthly installments, the sum of $75,000 in each of the first two years. The Management Agreement may be assigned by the Managing Agent to a qualified firm without approval of the Condominium Board. In addition, move-in/move-out fees and refundable move-in/move-out fees may be required of each Residential Unit Owner or tenant. The deposits may be retained by the Condominium in the event a Residential Unit Owner, a tenant or their agents damages the Common Elements during the move. The Managing Agent may charge Residential Unit Owners other than Sponsor or Holders of Unsold Units fees for processing alteration agreements, and processing applications to sell, lease, finance or transfer Residential Units and obtaining necessary waivers of the right of first refusal by the Condominium Board. The management fee charged by the Managing Agent is comparable to management fees charged by other managing agents managing comparable buildings in Manhattan. Please refer to Schedule B, "Projected Budget for First Year of Condominium Operation" for further details.

The duties and services to be rendered by the Managing Agent include, among others:

(1) billing and collecting Common Charges payable by Unit Owners;

(2) causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Condominium Board;

(3) contracting for necessary services and repairs and purchasing all supplies necessary to properly maintain and operate the Condominium and its Common Elements. The approval of the Condominium Board is necessary for any service contract (other than utilities) which exceeds $5,000 per year or is not terminable on 30 days' notice;

(4) checking all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid;

(5) supervising, hiring 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;

(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 meetings of the Condominium Board and Unit Owners, and preparing agendas and sending notices relating to such meetings;

(11) causing to be obtained and maintained insurance for the Condominium in amounts deemed advisable by the Condominium Board;

(12) processing applications of Residential Unit Owners for permission to alter the Residential Units (for which a separate fee will be charged to the Residential Unit Owner other than Sponsor or Holder of Unsold Units);

(13) processing applications of Residential Unit Owners for waivers of the right of first refusal (for which a separate fee will be charged to the Residential Unit Owner other than Sponsor or Holder of Unsold Units); and

(14) generally, doing all things deemed reasonably necessary or desirable by the Condominium Board for the proper management of the Condominium.

The Managing Agent, at the expense of the Condominium, will be insured during the term of the Management Agreement under a crime insurance policy in favor of the Condominium for any loss resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees.

The Condominium Board shall be obligated to reimburse the Managing Agent for expenses incurred and to indemnify the Managing Agent against liability for acts properly performed by the Managing Agent pursuant to the Management Agreement.

IDENTITY OF PARTIES

Sponsor

Sponsor is Wellington Fee LLC, a Delaware limited liability company, formed on September 30, 2004, with an office at 390 Park Avenue, 3rd Floor, New York, New York, 10022. Sponsor acquired the Property on September 30, 2004 from Wellington Tower Associates, L.P. an affiliated entity.

R & F 82nd Street LLC, a Delaware limited liability company, formed on August 31, 2004, with an office at 390 Park Avenue, 3rd Floor, New York, New York, 10022 is a member of Sponsor (through various intermediate entities) and is the Administrative Manager of Sponsor. The members of R & F 82nd Street LLC are Aby Rosen ("Rosen") and Michael Fuchs ("Fuchs"). Messrs. Rosen and Fuchs have substantial commercial and residential real estate investment, development and management experience for over ten years. They have been involved in the development and conversion of the following residential real estate projects in buildings located in Manhattan: the Seville Condominium located at 300 East 77th Street (filed December 18, 2001), the Empire Condominium located at 188 East 78th Street (filed April 30, 1999), the Impala Condominium located at 404 East 76th Street (filed February 14, 2001), the 425 Fifth Avenue Condominium located at 425 Fifth Avenue (filed July 10, 2001), the 291 CPW Condominium located at 291 Central Park West (filed August 25, 1997), 177 East 77th Street Condominium located at 177 East 77th Street (filed June 9, 2004), the Park Avenue Place Condominium located at 60 East 55th Street (filed November 5, 2003) and 50 Gramercy Park North (filed March 21, 2005). Offering plans for these buildings are available for inspection at the offices of the Department of Law. The sponsoring entities of these condominium or cooperative projects in which the principals of Sponsor are also principals are current in their obligations to the respective condominium or cooperative in the payment of common charges.

There have been no prior felony convictions of Sponsor, or any principals of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within 15 years prior to the submission of the Plan.

Neither Sponsor nor its principals have entered into contracts or agreements, written or oral, or accepted deposits or advances of funds for the purchase of Residential Units as of the Filing Date of the Plan.

Selling Agent

The Selling Agent for the sale of Residential Units is Classic Marketing LLC, having an address at 230 East 73rd Street, New York, New York 10021. The Selling Agent has been involved in the sale of coops and condominiums in Manhattan for a number of years. The Selling Agent is affiliated with principals of Sponsor in that Messrs. Rosen and Fuchs are principals of both the Sponsor and the Selling Agent.

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 15 years prior to the submission of the Plan.

Managing Agent

Classic Realty LLC, having an office at 400 Park Avenue, 6th Floor, New York, New York 10022 will be the Managing Agent for the Building. The Managing Agent is affiliated with principals of Sponsor in that Messrs. Rosen and Fuchs are principals of both the Sponsor and the Managing Agent. The Managing Agent has been engaged in the management of units in certain New York City rental, cooperative and

condominium properties for a number of years. Such properties include cooperative and/or condominium units located at 1000 Park Avenue 45 East 66th Street, 66 East 83rd Street, 2 Horatio Street, 200 East 16th Street, 200 East End Avenue, 30, 40, and 60 East 9th Street, 210, 215, 220, 225, 230 and 235 East 73rd Street, 245 East 72nd Street, the 235 West End Avenue Condominium and the Carnegie Plaza Condominium (162 West 56th Street), and the properties located at 177 East 77th Street and 300 East 64th Street.

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 15 years prior to the submission of the Plan.

Attorneys for Sponsor

Sponsor has retained the law firm of Starr Associates LLP, having an office at 245 Fifth Avenue, Suite 1102, New York, New York 10016, to represent it in connection with the Plan. Allan Starr, Esq. and Jane Rosenberg, Esq. participated in and supervised the preparation of the Plan. Starr Associates LLP will serve as Escrow Agent and will represent the Sponsor in connection with matters relating to Closings of Residential Units. Warren Gleicher, Esq. of Olshan Grundman Frome Rosenzweig & Wolosky LLP, at 65 East 55th Street, New York, New York 10022 has been retained to prepare the Income Tax Opinion letter for the Condominium and Marcus & Pollack LLP, at 708 Third Avenue, New York, New York 10017, has been retained to provide the projections of the real estate tax valuations for the Building and the "Section 421-a Real Estate Tax Exemption Benefits Opinion" set forth in the Section of the Plan entitled "Opinions of Counsel."

Sponsor's Architects/Engineers

The physical conditions of the interior, exterior and site sections of the Building were reviewed by Schuman Lichtenstein Claman Efron Architects, having an address at 841 Broadway, New York. 10003. Said Architects also prepared the Floor Plans contained in Part II of the Plan. The physical condition of the mechanicals, electrical and heating sections of the Building were reviewed by Cosentini Associates LLP, having an address at 2 Penn Plaza, New York, New York 10121. Certifications of the Architect and the Engineer are contained in Part II of the Plan.

Sponsor's Condominium Expert

Diversified Valuation Group, having an address at 60 East 42nd Street, Suite 1446, New York, New York 10165, reviewed all estimates 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, the adequacy of the Common Charges payable by the Commercial Unit Owners and Sponsor's compliance with Section 339-i of the Real Property Law, copies of which are contained in the Plan.

Title Company

Commonwealth Land Title Insurance Company ("Commonwealth"), having an office at Two Grand Central Tower, 140 East 45th Street, 22nd Floor, New York, New York 10017; phone: (212) 949-0100, has reviewed the Plan and the Condominium Documents and has committed to insure that a valid condominium will be created pursuant to the Condominium Act. Commonwealth and Counsel Abstract, having an office at 400 Park Avenue, 3rd Floor, New York, New York 10022; phone: (212) 355-2460; are prepared to issue fee and/or mortgage title insurance policies to those Purchasers who request them. A form of Residential Unit Owner's Specimen Title Policy, if title insurance is ordered from Commonwealth, is set forth in Part II of the Plan.

Related Parties

The Managing Agent and the Selling Agent are affiliated with principals of Sponsor as set forth above.

Sponsor and its principals have no affiliation with Sponsor's Attorneys, Sponsor's Architects/Engineers or Sponsor's Condominium Expert or any person or firm who will provide services to the Condominium subsequent to the First Closing except as set forth above. Neither the Sponsor's Architects/Engineers, Sponsor's Condominium Expert nor Sponsor's Attorneys have any financial interest in the Property, the Residential Units, the Condominium, or this offering, except for their fees for services rendered.

Actions or Proceedings

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, Purchasers of Residential Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

SPONSOR'S PROFIT

Principals of Sponsor have had an ownership interest in the Property since 1998. Unsold occupied Residential Units which are not sold to Tenant-Purchasers may be sold from time to time as either occupied Residential Units or as they become vacant, all in Sponsor's sole discretion. Sponsor expects to make a profit. The exact profit to be realized by Sponsor cannot now be determined and may increase or decrease substantially depending upon variable factors such as the uncertainty of future market conditions including the availability and cost of money, the length of time required to sell the Residential Units, losses or expenses arising from obligations assumed or waived by Sponsor under the Plan and other contingencies.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give Unit Owners annually:

(1) a certified financial statement of the Condominium prepared by a certified public accountant within 5 months after the end of each fiscal year;

(2) prior notice of the Annual Unit Owner's meeting; and

(3) a copy of the annual budget of the Condominium.

DOCUMENTS ON FILE

In accordance with Section 352-e(a) of the New York General Business Law, copies of the Plan and Parts A, B, C, and D of the Exhibits delivered to the Department of Law containing all exhibits or documents referred to herein shall be available for inspection (without charge) and for copying (at a reasonable charge) by prospective Purchasers and by any person who shall have purchased a Unit offered under the Plan, at the office of Selling Agent during business weekday hours and shall remain available for such inspection and copying for a period of 6 years from the First Closing. In addition, a set of the 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 with the City Register's Office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in the City Register's Office. All deeds conveying, and all mortgages covering, individual Units will also be recorded in such 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. Copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Purchase Agreement, form of Residential Unit Deed, form of Residential Unit 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.

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 shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Residential Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the 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 Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Residential Units offered by the Plan or in the leasing of any such Residential 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. To the best of Sponsor's knowledge, the Property has not been the subject of any prior public offerings.

No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Units offered in the Plan and no deposits of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Units, prior to the submission of the Plan to the Department of Law or as of the Filing Date of the Plan.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor has exercised due diligence to obtain a detailed technical report on the condition of the Property as of a date contemporary with the Filing Date of the Plan. Sponsor is not an architect or engineer, but believes and hereby represents that the "Description of Property" with additional information by Sponsor if any as indicated, set forth in Part II of the Plan, represents accurately the present Building condition. The firm preparing the "Description of Property" has no financial interest in the Property, Sponsor, the Condominium, the Selling Agent, any affiliates thereof, or any other party interested in this transaction, except for the fee for services rendered.

Also set forth in Part II of the Plan is a report on the inspection of the exterior façade of the Building pursuant to Local Law 11. The report concluded that there are no unsafe conditions, but that certain conditions were noted as safe with a repair and maintenance program recommendation ("Corrective Work"). Sponsor does not intend to perform the Corrective Work. Any such work shall be the obligation of the Condominium Board to perform. The engineer conducting the Local Law 11 inspection has estimated the cost of the Corrective Work to be approximately $30,000.

Sponsor represents that it has no knowledge of any material defects or need for major repairs to the Building except as hereinafter set forth in the "Description of Property" and the municipal and violations search set forth in Part II of the Plan.

In order to remediate the water seepage into portions of the cellar level, noted in the "Description of Property and Building Condition" in Part II of the Plan, the Sponsor will retain an engineer to develop specifications and a contractor to replace portions of the foundation drainage system. The estimated cost of such capital replacement is approximately $500,000, although the actual cost cannot be ascertained until bids are obtained from contractors. Sponsor intends to commence the aforementioned capital replacement prior to the Plan being declared effective and to take a credit against Sponsor's mandatory initial contribution to the Reserve Fund for the actual cost of such capital replacement, not to exceed 1% of the "Total Price" as defined in the Reserve Fund Law. See the Section of the Plan entitled "Reserve Fund" for further details.

The Department of Buildings has issued temporary Certificate of Occupancy No. 101823074-T-16 for the Building dated January 11, 2006. Sponsor will renew such temporary Certificate of Occupancy until a Permanent Certificate of Occupancy is obtained, and will undertake to obtain such Permanent Certificate of Occupancy prior to the First Closing, at Sponsor's sole cost and expense. The temporary Certificate of Occupancy states that there are 151 residential apartments in the Building, although there are actually 148 residential apartments, due to the combination of apartments 6R and 6S into a single apartment, apartments 18A and 18B into a single apartment and apartments PHC and PHD into a single apartment. Any purchaser who acquires Unit 6R/6S, Unit 18A/B or Unit PHC/D from Sponsor shall be required to comply with all applicable laws in connection with the combination of such Units and shall do so at such Purchaser's sole cost and expense.

The Residential Units and their appurtenant Common Elements are being sold "as is" to Tenant-Purchaser in the condition in which they exist on the Filing Date of the Plan, subject to ordinary wear and tear and further subject to Sponsor's obligation to maintain the Building until the First Closing and further subject to Sponsor's obligation to make repairs, improvements or decorations as may be otherwise set forth in the Plan.

Except as otherwise expressly provided in the Plan, Sponsor's obligation to make repairs in any Residential Unit shall cease upon the Closing of Title to such Residential Unit. Sponsor will, however, maintain and operate the Building until the First Closing in substantially the same manner and condition as on the Filing Date of the Plan (subject to ordinary wear and tear) except to the extent that Sponsor is precluded from so doing by acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, acts of

terrorism, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so maintaining the Building and the Common Elements (or causing the same to be maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, any repairs subsequent to the First Closing that it was obligated to make prior to the First Closing.

The Sponsor is not retaining any air rights or development rights appurtenant to the Property, if any.

Since the Building was constructed after 1978, no lead-based paint is contained in the Building.

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

DESCRIPTION OF PROPERTY AND BUILDING CONDITION REPORT

FOR

WELLINGTON TOWER CONDOMINIUM

350 EAST 82ND STREET
NEW YORK NEW YORK

Dated: January 20, 2005
September 15, 2005

REPORT PREPARED BY:

SLCE ARCHITECTS
841 BROADWAY, NEW YORK, NEW YORK · (212) 979-8400 · FAX: (212) 979-8387

A. *Location and Use of Property*

1.	Address:	350 East 82nd Street New York, New York
2.	Block No.: Lot No.:	1544 28, 29 & 30
3.	Zoning District:	C1-9, R8B
4.	Permissible Uses:	Residential, Retail and Community Facility
5.	Other:	The Sponsor is not retaining any air development rights for future expansion of the Building. This development does not have a landmark status.

B. *Building Status*

1. The construction of the Building was completed in 1999.

2. Certificate of Occupancy: A Temporary Certificate of Occupancy has been obtained, and a Permanent Certificate of Occupancy will be obtained for the Building from the Department of Buildings of the City of New York ("Department of Buildings"), prior to the First Closing.

3. Class of Construction: The Building is classified as Class 1B (Non-Combustible) and conforms to all applicable regulations of the Building Code of the City of New York ("Building Code"). The plans were filed under number NB #101694098 with the Department of Buildings, in compliance with Local Law 58/87 (Handicapped Access Law). The drawings were approved and Building Permit No. 101694098-01-NB was issued for the Construction of this project.

C. *Site*

1. The total site area is 22,988 square feet.

2. The Building consists of a single residential tower (6 stories), sitting on a 12-story base (18 Total Floors), and a 6 story base with 1 setback floor (7 Total Floors) at the west portion of the Building on 82nd Street, and a cellar. The base is used for retail, community facility, mechanical space, parking, residential and residential amenities. The retail space is located on the 1st floor, the community facility is on the first and second floor, the parking entrance is on the 1st floor and the parking level is at the cellar floor. The cellar is also used for residential building services and retail storage.

Parking spaces in the garage unit are not allocated to tenants in the building.

3. There are 148 residential apartment units (including the resident superintendents unit) in the building.

4. There is retail space on the first floor. In addition, there is a Fitness Center, Cinema Room, Business Center with Conference Room, Child's Playroom, Swimming Pool, Steam Room, Sauna, Treatment Room, Men and Women's Toilet Rooms on the Seventh Floor ("Amenity Facilities"). The Swimming Pool is a 30'x12' steel pool, as manufactured by Steel Style Inc., with fiberglass finish. The depth of the pool varies from 3'-6" to 4'-0", and can accommodate approximately 30 persons. The Amenity Facilities were observed to be in good condition and no defects were noted.

5. For the purposes of Marketing, the floor number thirteen has been excluded, while The Department of Buildings necessitates a realistic numbering of floors that includes a thirteen. Therefore, two different methods of numbering floors exist, and are shown below:

Construction Floors (actual)	Marketing Floors
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	14
14	15
15	16
16	17
17	18
18	Penthouse

Please note that all floor plans, apartment drawings, and other references to floors in this report will utilize the marketing numbering of floors.

6. The property fronts on 1st Avenue and East 82nd Street. These streets are paved with asphalt and are owned and maintained by the City of New York.

(i) All curbs are steel and concrete.

(ii) The streets are presently pitched to drain through existing and new cast iron catch basins into the New York City storm water drainage system.

(iii) The street lighting is provided by the City of New York.

7. Drives, Sidewalks, Ramps

(i) The sidewalks on the property are sloped concrete.

(ii) The sidewalk and street drainage is described in Section (3)(ii).

(iii) The sidewalks are in generally fair condition.

D. Utilities

1. Water supply and combined sewer servicing the building is provided by the City of New York. Water is collectively metered. The cost of the water and sewer will be borne by the unit owners as a common expense. The electrical service is provided by Consolidated Edison, with each residential unit and other units separately metered. The common residential areas are also separately metered. The gas is provided by a third party supply vendor and is collectively metered with three (3) meters. The cost of the gas will be borne by the unit owners as a common expense. Telephone service is provided by phone service providers. It will be a purchaser's obligation to purchase telephones and arrange for telephone service for his or her unit.

E. Sub-Soil Conditions

1. The concrete footings rest on spread footings extending to rock.

2. The slabs on grade and perimeter spandrel beams are poured concrete.

F. Landscape & Enclosure

1. Trees - On sidewalk level.

G. Building Height

1. The total height of the building from the lobby finished floor elevation 48'-1¾" to the top of the main roof slab elevation 187'-3 ¼" is 223'-1¾".

2. There are 18 floors above the cellar level.

3. Equipment Rooms: Height from top of roof slab to top of Elev. Mech. Room is 19'-0".

5. Parapet: Height from top of roof finish to top of parapet or handrail coping is a minimum of 3'-6".

H. Structural and General Building Description

The items listed below were observed as in generally good condition at the time of survey:

1. The Building structural system consists of cast in place reinforced concrete foundations to rock, reinforced concrete columns with flat plate slabs, and the elements listed below.

   i) Walls: The exterior walls are masonry cavity walls consisting of nominal 4" exterior brick with pre-cast concrete accent panels; 2" space; nominal 6"; 75% solid concrete block; 1\2" air space; metal studs with 3½" thick fiberglass batt insulation with vapor barrier, and 5\8" gypsum wallboard finish.

   ii) Windows: The windows at the residential floors are aluminum double hung or sliding type, and were observed as generally in good condition. Sponsor has advised that the windows are not covered by a warranty or guarantee.

   a. The following apartments have lot line sprinkler protection with operable windows, and will not be closed in the event of future development.

2A-5A	(faces south)
2J	(faces west)
3B-5B	(faces south)
3C-5C	(faces south)
3D-5D	(faces south)
3E-7E	(faces south)
3F-7F	(faces south)
6W, 6X	(faces south)
3V–7V	(faces west)
8H–12H	(faces west)
14D–PH D	(faces west)

   b. The following apartments have lot line sprinkler protection with operable windows, and may need to be closed at a future date if a building is erected against the south property line. It may be possible to obtain a reconsideration from the New York City Department of Buildings, to maintain the windows. If at such time these windows need to be closed, other windows exist in the affected rooms to obtain the required light and air.

14D-PH D (faces south)

   c. The lot line windows were observed to be in good condition.

iii) The R-value of the exterior walls is 15.42.

2. Parapets and Copings: The parapets are masonry walls reinforced with vertical dowels embedded into the concrete slab and precast panels with a brick cavity walls. The parapet facing is either pre-cast concrete or brick, with coping either pre-cast concrete or painted aluminum, and were observed as generally in good condition.

3. Chimneys and Caps: There is a compactor chute and boiler flue which terminate at the mechanical room roof level and above the high roof respectively. A 16GA aluminized steel trash chute is located on all residential floors. The boiler flue is 11GA galvanized steel.

4. Terraces:

i) Terraces are located at the seventh and fourteenth floors.

ii) The residential terraces are finished with concrete pavers over the roofing system.

iii) Balustrades: None

iv) Railings: The roof railings consist of aluminum rails and posts with aluminum pickets.

v) Copings: The copings are aluminum and precast stone.

vi) Soffits: The soffits are painted exterior plaster.

vii) Doors at Terraces: Doors are extruded aluminum and glass swing doors.

viii) Painted Aluminum trellis's are located over the terraces at the seventh and fourteenth floors.

5. Exterior Entrance

i) Exterior Doors and Frames: The main entrance to the residential lobby has painted aluminum and glass swing and revolving doors. The main entrances at the retail and medical units are also has aluminum and glass doors. The garage entry is a metal roll down door.

ii)

iii) Vestibules: None

iii) Railings: At terraces.

iv) Mail Boxes: Located in first floor mail alcove.

v) Lighting: Recessed at base of entry piers and down lights above entry doors.

vi) Canopies: Stainless steel and glass canopies.

vii) These items were observed as generally in good condition.

6. Service Entrances

i) Doors and Frames: Entrance has a metal doors and frame.

ii) These items were observed as generally in good condition.

7. Roof and Roof Structures:

i) Material: The roofing systems is a fluid applied IRMA membrane roof system with pavers or gravel ballast over. There was one (1) reported leak at the time of the survey at the second floor roof, into the first floor Community Facility. The Sponsor has advised that the leak will be repaired.

ii) Insulation: Insulation is Styrofoam RM brand insulation as manufactured by Dow Chemical with an R factor of 12.5 or equal.

iii) Surface Finish: The surface finish is gravel or concrete pavers.

iv) The roofing system has a 20 year manufacturers' guarantee.

v) Flashing Material: There is metal cap flashing and fabric base flashing.

vi) A metal roof cap is provided.

vii) Drains:

a) Material and Type: Cast iron drains.

b) Gutters and Leaders: None

viii) Skylights: Aluminum and glass located over the swimming pool on the roof over the seventh floor, and located over a portion of the Community Facility on the roof over the first floor.

ix) Bulkheads:

a) Elevator: The elevator bypass is part of roof bulk head which consists of a 12" cavity wall: Nominal 4" exterior brick, 2" air space, and a nominal 6" interior concrete block.

b) Stairs: The stair enclosure is part of roof bulkhead which consists of a 12" cavity wall: Nominal 4" exterior brick, 2" air space, and a nominal 6" interior concrete block.

c) Other: Mechanical equipment space within the roof bulkhead.

x) Metal Work at Roof Levels

a) Exterior Vertical Ladders: At roof levels within mechanical bulkhead.

b) Railings. Located at the parapets.

c) Hatches to roof: Accessing the roof over the elevator machine room.

d) Other: None

xi) Roof Top Facilities: None

xii) The items described above were observed as generally in good condition.

8. Fire Escapes: None

9. Yards and Courts: None

10. Interior Stairs:

i) Number of Stairs: There are 3 (three) exit stairs, of which two extend from the first floor up to the roof bulkhead, and one extends from the first floor to the seventh floor. Three stairs extend from the cellar and end at the 1st floor.

ii) Enclosure: Residential and garage stairs are enclosed with 2 hour rated partitions and painted.

iii) Stair Construction: All the stairs are concrete construction.

iv) Stringers: None

v) Treads: Concrete

vi) Risers: Concrete

vii) Guard Rails: There are steel pipe in each stair where required.

viii) Balustrades: Steel bars or pipe rail.

ix) The items described above were observed as generally in good condition.

11. Interior Doors and Frames

i) Unit Entrances: The apartment entrance doors are hollow metal and meet the Building Code requirements. The apartment interior doors are solid core wood doors with hollow-metal frames.

ii) Corridor Doors and Frames: All doors and frames are hollow metal and meet the Building Code requirements.

iii) Stair Doors and Frames: All doors and frames are hollow-metal and meet the Building Code requirements.

iv) Roof Doors and Frames: These doors and frames are hollow-metal and meet the Building Code requirements.

v) The items described above were observed as generally in good condition.

12. Elevators

i) There are (2) passenger elevators servicing the residential apartments, and one (1) service elevator servicing the cellar, and residential apartments.

ii) The elevators are manufactured by Serge Elevator Company, and have a capacity as follows:

Residential Elevator Designation:	Elevator Capacity:
1. Passenger PE-1	2,000 lbs
2. Passenger PE-2	2,000 lbs
3. Service SE-3	2,500 lbs

iii) The type of operation are as follows:

Residential: - Traflomatic/Automatic Push Button

iv) The elevator type of controls are variable voltage.

v) Residential elevators PE#1, PE#2, stop at 1st floor – Penthouse, and S.E.#3 stops at cellar – Penthouse floors.

vi) The Residential elevators are as follows:

(a) Gearless Type

vii) The elevators doors are as follows:

All elevators have single sliding doors.

viii) The elevator machine room for PE#1, PE#2, SE#3, is located at the main roof bulkhead level.

ix) Solid state motor drive.

13. Elevator Cabs (Residential):

i) Residential elevator cabs are manufactured by Serge Elevator Company.

ii) The floor material is granite and stone.

iii) The walls are covered with wood laminate panels and bronze panels.

iv) The ceiling is wood with cove lights.

v) The items described above were observed as generally in good condition.

14. Masonry and Concrete:

i) Except for the water seepage described in section 'R' below, no visable deterioration of mortar, spalling, cracks, leaning, or other signs of distress were observed in the foundation, cellar floor, walls or ceilings.

I. Auxiliary Facilities

1. Refuse Disposal

i) Refuse chute access door is located on each residential floor.

ii) Incinerators: None

iii) Compactors: There is one compactor located in the cellar servicing the residential apartments.

iv) Approvals: None required.

v) Storage Location: The compacted bags are stored in the compactor room.

vi) The bags from residential compactor room are picked up by the New York City Department of Sanitation.

vii) Fireplaces: A gas prefabricated fireplace is provided in the apartments on floors 14-Penthouse. Each fireplace has glass doors, screen, wood mantel, granite surround and hearth. Metal flues extend 3'-6" above main roof or bulkhead.

viii) A laundry room is located on the cellar level.

ix) The items described above were observed as generally in good condition.

P. Communication and Security Service

The system is an ADT system consisting of monitoring consoles, telephone stations, video cameras, status monitoring and intrusion alarm system for the base building. Video cameras are provided to monitor the laundry room, exercise room, entrances, service entrance, passenger and service elevator and garage ramp, and monitored at the concierge desk.

Each Residential unit consists of:

1. Intercom communication through phone service.

2. A telephone and cable jack is provided in all living rooms and bedrooms.

Q. Public Area Lighting

There are fluorescent fixtures in the service areas and the public stairs. The fixtures in the public stairs have motion sensors. Incandescent fixtures are provided at the main entrance lobby. Lighting in the public corridors are compact fluorescent.

R. Garage and Parking Area

The garage in the cellar and 1st floor is provided with a mechanical exhaust system meeting N.Y.C. Code requirements. Exhaust fans are provided to exhaust air at the roof level. The garage has floor drains and is painted throughout.

Water seepage from the below the floor slab was observed in portions of the cellar level at the time of the survey. Based on recent tests performed by an independent laboratory and the New York City D.E.P., it is not conclusive as to the exact source of the water penetrating the cellar level. The sponsor continues to investigate in good faith to determine the source of the water and what if any remedial action is needed to address this matter. The garage finishes is comprised of painted concrete block and concrete.

S. Unit Information

1. The following apartments were inspected, and per the sponsor, represents the typical types and condition of the apartments. The apartments were generally in good condition. No leaks through windows, walls or ceilings were observed.

    a. 'F' Line Apartment, Floor 7: 0 Bedroom/ 1 Bath, Approx. 538 SF
    b. 'C' Line Apartment, Floor 5: 1 Bedroom/ 1 Bath, Approx. 706 SF
    c. 'H' Line Apartment, Floor 10: 2 Bedroom/ 2 Bath, Approx. 1,143 SF
    d. 'A' Line Apartment, Floor 16: 3 Bedroom/ 3 Bath, Approx. 1,593 SF

    See floor plans contained in the offering plan for a complete description of the units.

2. Finish Schedule for Typical Apartment from the 2nd thru 12th, 14th-Penthouse is as follows:

Space	*Floor*	*Wall*	*Base*	*Ceiling*
Foyer	WDV	P	WD	K/GWB/P
Living Room	WDV	P	WD	K/GWB/P
Dining Room	WDV	P	WD	K/GWB/P
Bedrooms	WDV	P	WD	K/GWB/P
Kitchen	CT	P	CT	K/GWB/P
Bathrooms	CT	CT	CT	K/GWB/P
Closets	WDV	P	WD	K/GWB/P
W/D Closet	CT	P	CT	K/GWB/P

The finishes indicated above were in generally good condition for the apartments inspected.

1st Floor

Space	*Floor*	*Wall*	*Base*	*Ceiling*
Lobby	GT	WD/VWC	GT	GWB/P
Mail Room	GT	WD/VWC	GT	GWB/P
Package Room	VCT	GWB/P	V	GWB/P
Storage Room	VCT	GWB/P	V	GWB/P
Vestibules	GT	WD/VWC	GT	GWB/P

The 1st floor space indicated above is in good condition. No defects were noted.

3. ***Bathroom and Kitchen Fixtures for Apartments from 2nd-12th, 14th-Penthouse Floor:***

Items listed below were observed as in generally in good condition, in apartments inspected.

Master Bathroom Lavatories:	Granite top with porcelain coated steel under-mount sink
Additional Bathroom Lavatories:	Porcelain pedestal sink
Bathroom Water Closet:	Porcelain toilet
Kitchen Sink	Granite top with porcelain sink.
Bathtub	Enamel coated steel tub
Showers, where installed	Prefabricated shower base, with glass doors or curtain rod

3. ***Kitchen appliances for Kitchens at the 2nd-12th, 14th-Penthouse Floor:***

Refrigerator	- GE 32", white, side by side with Icemaker
Gas Range	- GE 30", white
Dishwasher	- GE 24", white
Microwave Oven	- GE 30", white, over range
Washer/Dryer	- Bosch or Asko, where installed.

All apartments have a washer/dryer closet with cold water, drain line, and electric hook-ups for the installation of a non-vented washer/dryer.

The items listed above were observed in generally good condition in apartments inspected.

T. Finish Schedule of Other Spaces

Typical Floors 2nd-12th, 14th-Penthouse Floors

	FLOOR	WALL	BASE
Stairs	DE	P	P
Public Corridor	CPT	VWC	WD
Electrical Closet	DE	P	P

The common area indicated above are in good condition. No defects were noted.

ABBREVIATIONS FOR FINISHES

AT	ACOUSTICAL TILE
CMU	CONCRETE MASONRY UNIT
CT	CERAMIC TILE
CPT	CARPET
CONC	CONCRETE
DP	DUSTPROOFING AND HARDENER
DE	DECK ENAMEL
GT	GRANITE TILE
GWB	GYPSUM WALLBOARD
HC	HUNG CEILING
K	KADEX
L	LIMESTONE
LWP	LIQUID WATERPROOFING
MT	MARBLE TILE
MP	METAL PAN
P	PAINT
POR	PORCELIN
QT	QUARRY TILE
SP	SPRAY PAINT
ST	STUCCO
T	TILE
TCP	TEXTURED CEILING PAINT
TER	TERRAZO
V	VINYL
VCT	VINYL COMPOSITION TILE
VWC	VINYL WALL COVERING
GWB	GYPSUM WALL BOARD
WRWB	WATER RESISTANT GYPSUM WALLBOARD
WD	WOOD
WDV	WOOD VENEER

U. Fire and/or Smoke Safety Devices

Apartment Smoke Detection System

1. Each apartment contains smoke/carbon monoxide detectors located in the vicinity of the bedrooms. The detector is wired to a 120 volt local power supply and is self contained with its own sounding device.

Common Area Fire Detection System

1. Each corridor contains a manual fire pull station located in the vicinity of the stairway. A strap key communication device is located in the main stairway of each floor (fire standpipe stairway) for fireman's use. Fire alarm gong is located in the elevator shaft.

V. Local Law 11/98

1. Construction of the building was completed in 1999 . The initial Local Law 11/98 façade examination and reporting is required to be performed during the first standard reporting period following the fifth year after the completion of the building construction and the date in which the Temporary Certificate of Occupancy is first obtained . Accordingly, the first inspection of the facades is required under the 6th cycle of Local Law 11/98, which commenced on February 21, 2005. Sponsor has performed a Local Law 11/98 façade inspection. The report is contained in Part II of the Plan.

W. Asbestos

1. Asbestos was not used in the construction of this building.

Peter Claman, AIA

Sign before me this 20th day

of September 2005

NOTARY PUBLIC

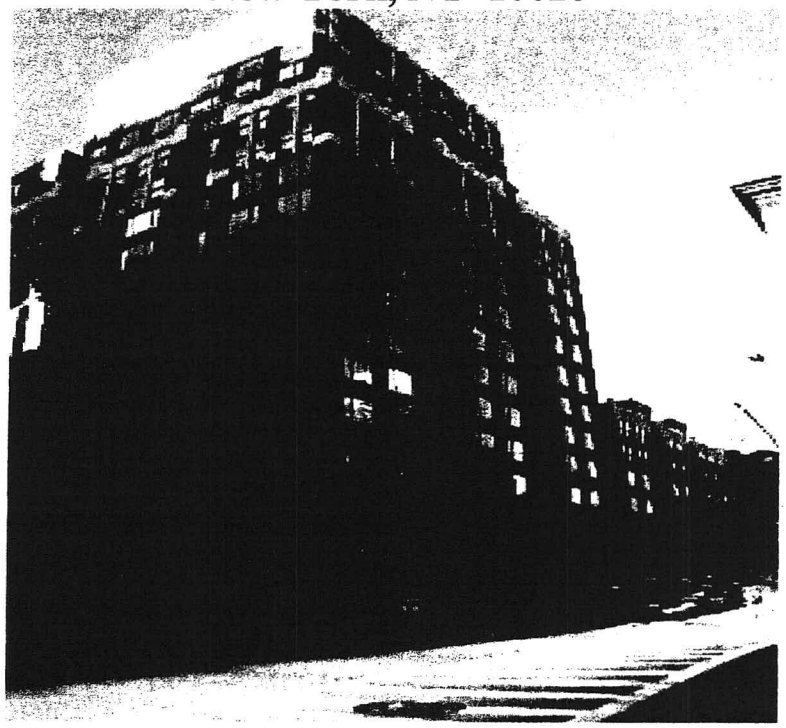
ELAINE M. BROWN
Notary Public, State of New York
No. 01BR6109247
Qualified in New York County
Commission Expires April 26, 2008

Cosentini Associates
Consulting Engineers

Mechanical, Electrical, Plumbing & Fire Protection Physical Conditions Survey

at

Wellington Towers
350 East 82nd Street
New York, NY 10028



Prepared for:

Wellington Towers, New York

350 East 82nd Street
New York, NY 10028

Prepared by:

Cosentini Associates

Two Pennsylvania Plaza
New York, NY 10121

December 8, 2004
Revised January 24, 2005
Revised September 19, 2005

Cosentini Associates
Consulting Engineers

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I. GENERAL

The property at 350 East 82nd Street was inspected by engineers from Cosentini Associates, to disclose the Mechanical, Electrical, Plumbing and Fire Protection conditions, which could be readily observed on the date of inspection.

The observations are accurate only at the time of observation. Opinions expressed herein are made only to the best of the engineer's knowledge and belief and do not imply any guarantees. The observations were made on December 6, 2004 and visits on December 15, 2004.

II. EXECUTIVE SUMMARY

We have reviewed the mechanical, electrical, and plumbing systems of the Wellington Towers and find that the air conditioning, heating, plumbing, and electrical systems are of sufficient capacity as designed for residential use and are operating in a satisfactory manner and are in good operating condition.

The building meets all of the building codes at the time of construction and does not require any upgrading to the present new code. The only exception is the addition of carbon monoxide detections for each apartment, which was recently installed.

III. HEATING SYSTEM

The heating plant for the building is provided by two (2) Cleaver Brooks Model CB- 80 HP low pressure (15 psi) steam boilers, each with an output of 2678 MBH. The estimated remaining useful life of the boilers is approximately 20 years.

- Model CB- 200 – 80
- Serial # L- 97717 and L- 97716
- Maximum Pressure 15 PSI
- Date 1/6/98
- Input 3,350,000 BTU/ HR
- Nat Gas
- 23.9 GPH Oil
- 208/3/60
- 10.3 Amp
- Max 12.5
- Blower 2 HP Air Comp 2 HP
- 4D Gas
- 4D Oil
- Oil no heavier than #2

The burners are provided with dual fuel operation. Natural gas for the boiler is provided by the utility (Con Edison distribution network). The service is equipped with a gas booster pump, which is located in the gas meter room at the cellar level. The alternate media is #2 fuel oil, which is provided by a storage reserve tank of 5,000 gallons located in the fuel tank room in the cellar. The fuel oil pump set is located within the boiler room.

Low-pressure steam is distributed to heating coils located in the incremental units located in apartments throughout the building for heating of apartments. Low pressure steam is also provided to the community facility unit as well as the retail unit.

Steam condensate from heating coils is collected and piped to a vacuum system that pumps condensate to a boiler feed system.

The heating system is in good operating condition. Based on discussions with building staff, the heating system is not out of service frequently.

IV. AIR CONDITIONING SYSTEM WITH STEAM HEATING COIL

Air conditioning is provided to the residential units by self-contained below window thru the wall incremental air conditioning units located in apartments. Each incremental unit has its own air cooled removable refrigeration chassis. These incremental units appear to be in good condition.

Typical units in the Bedrooms of the apartments.
Ice Cap Inc / L.I.C. 11101

- Model 5RSCTO9WNO-S02
- Serial No. 9PK51113B
- 115 V / 60 HZ / 1 Ph
- Cooling 9,000 BTU
- Total Watts 1,060
- Total Amps 9.5
- EER 8.5
- Max Fuse 15 A

Typical units in the Living Rooms of the apartments.
Ice Cap Inc / L.I.C. 11101

- Model 8RSCT13WNO-S02
- Serial No. 9PK49171C
- 208/230 V / 60 HZ / 1 Ph
- Cooling 12,400 BTU
- Total Watts 1,260
- Total Amps 7.4
- EER 9.2
- Max Fuse 20 A

AC units [AC –4] serving the lobby were not in operation on the day of inspection.

- TITHE Corp.
- Model PAA 072 H3 / AC
- 208/230 3Ph / 60
- Evap BAA 072 H3
- HP ¾
- FLA 3.3
- Min Amp 4.2
- Max Fuse 5
- Cond CAA 072 H3

- Comp LRA 73.4 @ 2 FLA 10.8 @ 2
- HP 1.5 FLA 5.6
- Min Amp 32.6
- Fuse 35

Gas fired package heating and cooling units serve the residential corridors.
TRANE

- Model YCD 180 B4 HAEA
- Serial # N32102570D
- Heating Input 350,000 BTU/H
- Heating Otput 284,000 BTU/H
- Min Input BTU/ Hour 250,000
- Max Heat 175 F
- 2 Compressors
- Min Ambient Temp –40
- Min Ext SP 0.7

The AC unit [AC –7] at the Elevator Machine Room is as follows:

- TITHE Corp.
- PAA 120 HC / AC
- Serial # I 980023
- 208/3/60
- Evap. BAA 120 HC 3 HP
- Cond CAA 120 HC Comp LRA 115 @ 2
- Fuse @ 70 A

V. LAUNDRY FACILITY EXHAUST SYSTEM

There is one laundry facility exhaust system in the cellar floor level, which appears to be in good operating condition. The exhaust duct is terminated on the first floor.

Exhaust Fan COOK [S-5] Model # 12CS0TB 1903 - 12 208.
Air conditioning of the laundry facility consists of a through the wall AC unit.

VI. VENTILATION SYSTEM

All toilet and kitchen exhaust fans are located on the 7th floor roof, and the main roof are operable and appear to be in good condition except for several exhaust fans servicing bathrooms are operating below capacity. Sponsor has undertaken program to remediate the problem.

- Most Toilet Exhaust Fans are COOK Model 10CC 3B 33 or 12 CC 3B
- Several newer fans are PENN Model DX 16 VSR
- Mushroom Fans on the roofs are Typically COOK Model 10CC 3B 33 or 12 CC
- 3B for all toilet exhausts.
- The five Kitchen Exhaust Fans at the Roof above the 20th floor are KX F- 5 COOK Model 12 CB3B 33
- Ejector Room EF –5 COOK -- 12 OSO IB 1903 - ½ 208 /3/60
- Trash Compactor EF –6 COOK -- 12 OS CNB 1607 – 1/3 208 /3/60
- Electric Switch Gear EF –3 COOK – 18 OS QNB 1175 – 1 hp 208 /3/60
- Electric Switch Gear S –3 COOK – 18 OS QNB 1175 – 1 hp 208 /3/60
- Paint Storage / Wine Cellar Magic –Aire DHX - 800 S# W990797989 ¼ HP 115V, FLA @ 4.1 Date 7/29/99
- Pump Room COOK EX –4 Model 16 5S QNB 1655 – 2HP
- Tele Switch Gear - Split System Model # F + RPO24 H 06 B ¼ hp 1.4 FLA

The cellar area is served by five (5) supply fans and six (6) exhaust fans, which appear to be in good condition.
On the main roof, there are three exhaust fans which are serving two mechanical rooms and two smoke exhaust fans.

Hot Water Heater Room at Roof exhaust fan
EF –9
Cook
Model # 24SP5B
716 - ½ 1725 / 0000 3-60-208

VII. CABINET UNITS

All cabinet heating units serving the lobby and main entrance, on the first floor at the freight hallway appear to be in good condition.
Total three UniTrane [3] units. Model FFMB 10001AKOCOC 10AW

VIII. UNIT HEATERS

All installed unit heaters the pumps and laundry room in the cellar level appear to be in good condition.

Pump Room
Trane Unit Heater
Model UHSA020S20AAA
TYPE 0136 – 0102 –1
Serial # A 98 H 43251
Laundry Room
Trane Unit Heater
Model UHSA038s80aac
TYPE 0136 – 0103 –1

Elevator Machine Room
Heater
UHECO 32 AACA
208 3.3 Kw 16.0 / 95 Amps

IX. SWIMMING POOL HVAC UNIT

There is a dedicated pool pack type air conditioning unit (Trane Model YCD 18084HAEA) with remote condenser that serves the pool area. The unit is located on the 6th Floor pool mechanical room. At the date of the inspection, unit was not functioning properly. Based on discussion with building staff and a review of the contractor's statement, the unit is now functioning properly.

- DECTRON Model DS – 020 – 201
- Serial 3 14698
- 2000 CFM
- Fan 1.5 HP
- Heathcraf HI – F Coil
- Serial # 93608Z – 010
- Model 8Ja1001b0Z3 00x24.00

X. ELECTRICAL SERVICE AND DISTRIBUTION

Electrical service derives from a Con Edison manhole located on First Avenue. The service is 120/208 volt, 3 phase, 4 wire 4000 amp. and connects directly to the main switchboard located in the cellar.

The switchboard consist of three (3) unmetered switches for apartment risers, one unmetered switch for retail spaces, one unmetered switch for medical tenant and one service switch feeding two switches for house equipment.

Each apartment, as well as each commercial unit is individually metered.

The building electrical distribution consists of conduit and cable which feed meter banks located on each third residential floor for apartment electrical consumption and distribution.

Power and distribution panel are Q.M.Q.B. type switches with current limiting fuses.

Lighting and appliance panels have molded case circuit breakers.

There is a 500kva step-up transformer that serves roof house equipment rated for 277/480 volt (elevators, motors and pumps). Individual apartments have a 120/208V, 1 phase, 3 wire circuit breaker panels for apartment loads, sized from 100 to 150 amps, with an average of 24 circuits.

The service provided to each residential unit is adequate for modern usage and appliances.

XI. TELEPHONE AND CATV

There are 2-4 inch conduits from the Street to the main telephone room in the basement.

From the telephone room, conduit and cable are run to telephone closets throughout the building.

Each apartment has in the wall telephone outlets located in bedrooms, living rooms and kitchens.

Each apartment has in the wall CATV outlets located in bedrooms and living rooms.

XII. FIRE ALARM

The fire alarm system is closed circuit, electrically supervised general alarm master coded system.

The fire alarm system is in compliance with the City of New York Building Code, article 5, paragraph 27-968, (6), 27-972 (6) and RS 17-3.

The fire alarm system is in compliance with local laws 5 and 5B.

Activation of manual fire alarm station causes a common signal throughout the building consisting of four sounds of a series of signal strokes and activation of strobe units throughout the common spaces including all common area toilets.

Activation of any automatic alarm actuating device, activates the fire alarm system as described in paragraph 4 above and:

- Shuts down all fans 2000 cfm and larger.
- Activates visual "fire" annunciation on fire alarm panel in the lobby identifying the zone containing the activated device and duplicates the signal at the remote annunicator.
- A signal is also sent to a central monitoring station.

Activation of smoke detector on top of elevator shaft or stair smoke detector opens smoke vent.for smoke exhaust.

Activation of elevator machine room smoke detector activates an exhaust fan.

Activation of sprinkler alarm tamper switch activates trouble alarm at the fire alarm panel and sounds sprinkler bell.

XIII. LIGHTING

Specialty lighting design observed in all public spaces and all exterior spaces.

Bare tube fluorescent lamps observed in all storage spaces and walk-in closets.

Garage lighting consists of 8' long fluorescent strip lighting.

Pendant mounted incandescent RLM dome reflector type lighting fixtures observed in all mechanical and electrical spaces.

A ceiling light is installed in each foyer, hall and kitchen of each apartment.

A wall bracket light is installed in each bathroom of each apartment.

Fluorescent lighting is installed in stairs.

Exit and egress light fixtures are equipped with battery back up.

All fixtures observed appeared to be in good working order.

XIV. PLUMBING SYSTEM

Domestic cold water enters the building from 82nd Street through a 4" metered service located in the pump room at the cellar level. The service is equipped with 4" R.P.Z/ backflow preventer, on the incoming service. The main inlet feeds into two (2) house pumps feeding a wood tank on the roof. The tank is approximately 6 years old. No apparent water leaks were observed around the pumps and piping. The water is being fed to the tank via a lead/lag pump system. Each pump is designed to handle 65% of the total demand load. The roof tank then feed the apartment by gravity. Reportedly the system is functioning adequately. System operating pressures are within maximum operating pressure of 85 psi as allowed by code.

The hot and cold water piping in the Building is copper tubing with wrot copper fittings. The piping system is in good condition and no leaks were reported.

The wood roof tank has a 10,000 gallons capacity in which 3,500 gallons are reserved for the standpipe systems. The tank is approximately 6 years old and in good condition. The roof tank is being supported by steel beams and is located above the elevator machine room. The roof tank is enclosed within concrete walls with open ceiling. Access to the roof tank is provided via a built-in ladder and a hatch door on the conical tank roof.

A duplex ejector pumps are installed in the cellar level. The duplex pump provides waste collection below the gravity house sanitary system.

Sanitary piping and storm water piping is connected to 10" house traps located in the cellar level ceiling. Both systems are in good condition.

The incoming gas service from 1st Avenue is located in the basement gas meter room. Each apartment has a gas range. The observed gas piping is made of standard black steel, which is in good condition. Apartments above the 14th floor have gas fireplaces.

XV. FIRE STANDPIPE SYSTEM

The fire standpipe system consists of two 6" steel riser located within the stairs. Water is fed into the riser from the roof tank. A 2-½" fire hose valve with 1½" reducer is installed on each floor. A roof manifold installed at the top of the staircases. The system as observed is in good operating condition.

XVI. AUTOMATIC SPRINKLERS

Water for the automatic sprinkler system is provided by a 6" sprinkler service from 82nd Street. This service is equipped with a 6" double detector check valve assembly with bypass meter.

The sprinkler system is partial and sprinklers are provided to the garage dry pipe system and the wet system for the retail 1st floor, basement level and trash chute as was recovered by the Building Code in force at the time. The system water is augmented by a sprinkler Siamese Fire Department inlet connections located on 1st Avenue. Additionally, lot line sprinklers are provided on floors 2 through 7 on the south side. The sprinkler system piping material is black steel.

The sprinkler system is installed in accordance with the Building Code at time of construction and observed to be in good operating condition.

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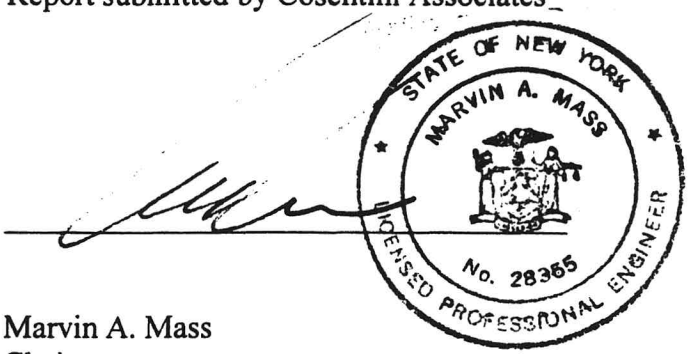
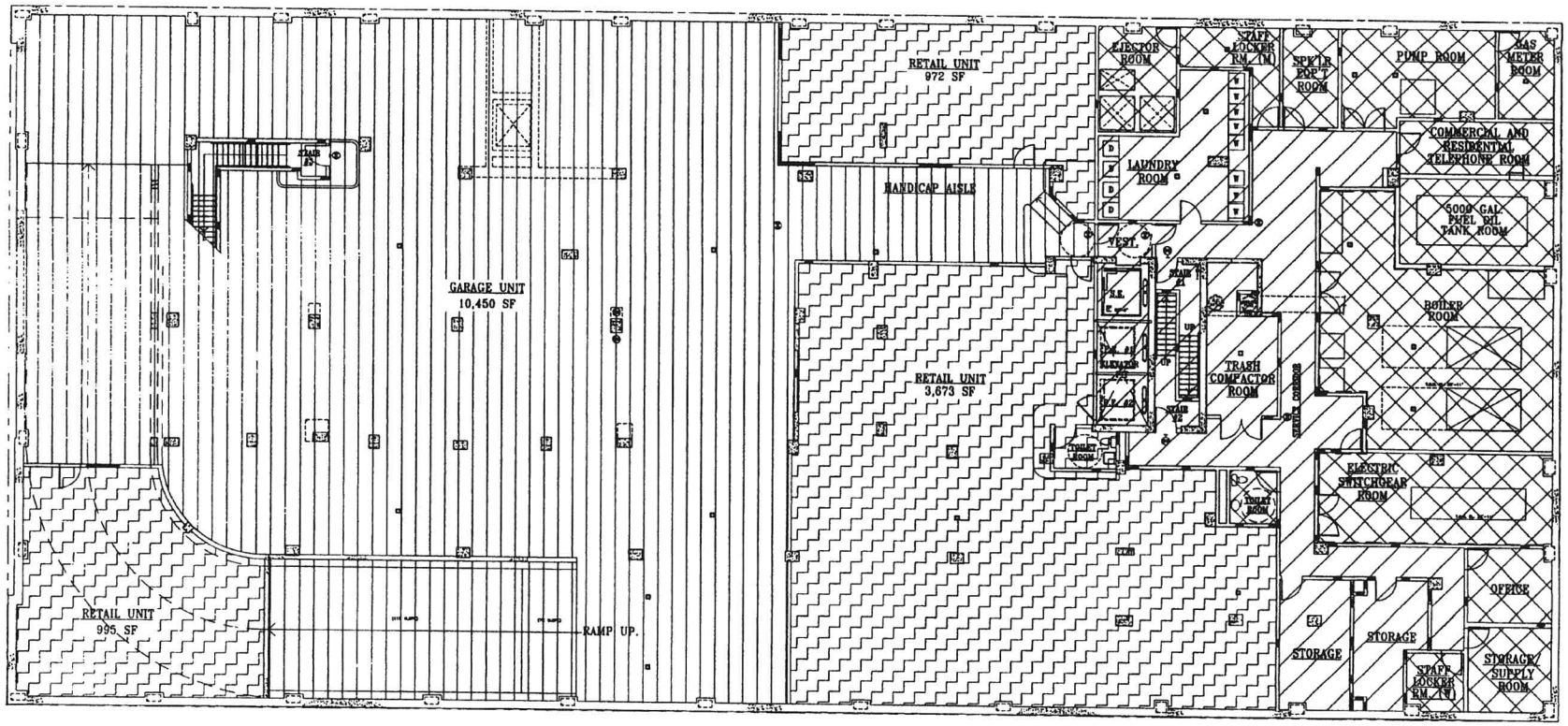
Report submitted by Cosentini Associates

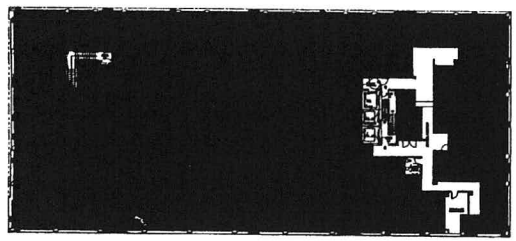


Marvin A. Mass
Chairman

September 19, 2005

FLOOR PLANS





CELLAR

GENERAL COMMON ELEMENTS

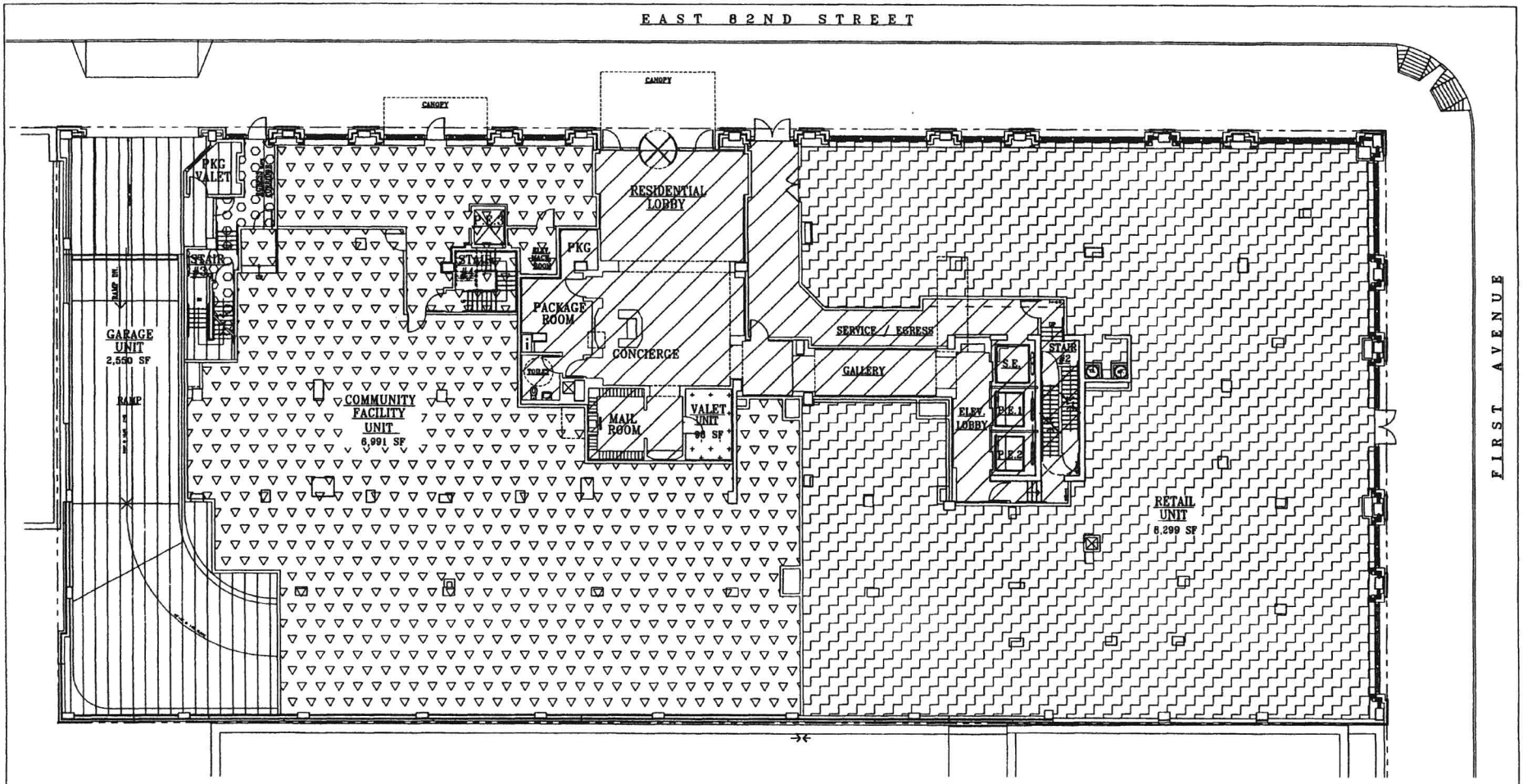
RESIDENTIAL COMMON ELEMENTS

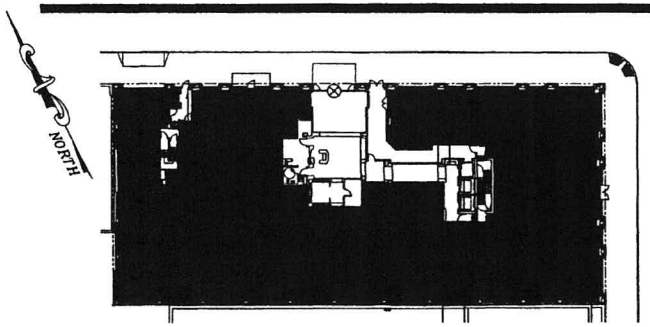
GARAGE UNIT

RETAIL UNIT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-1



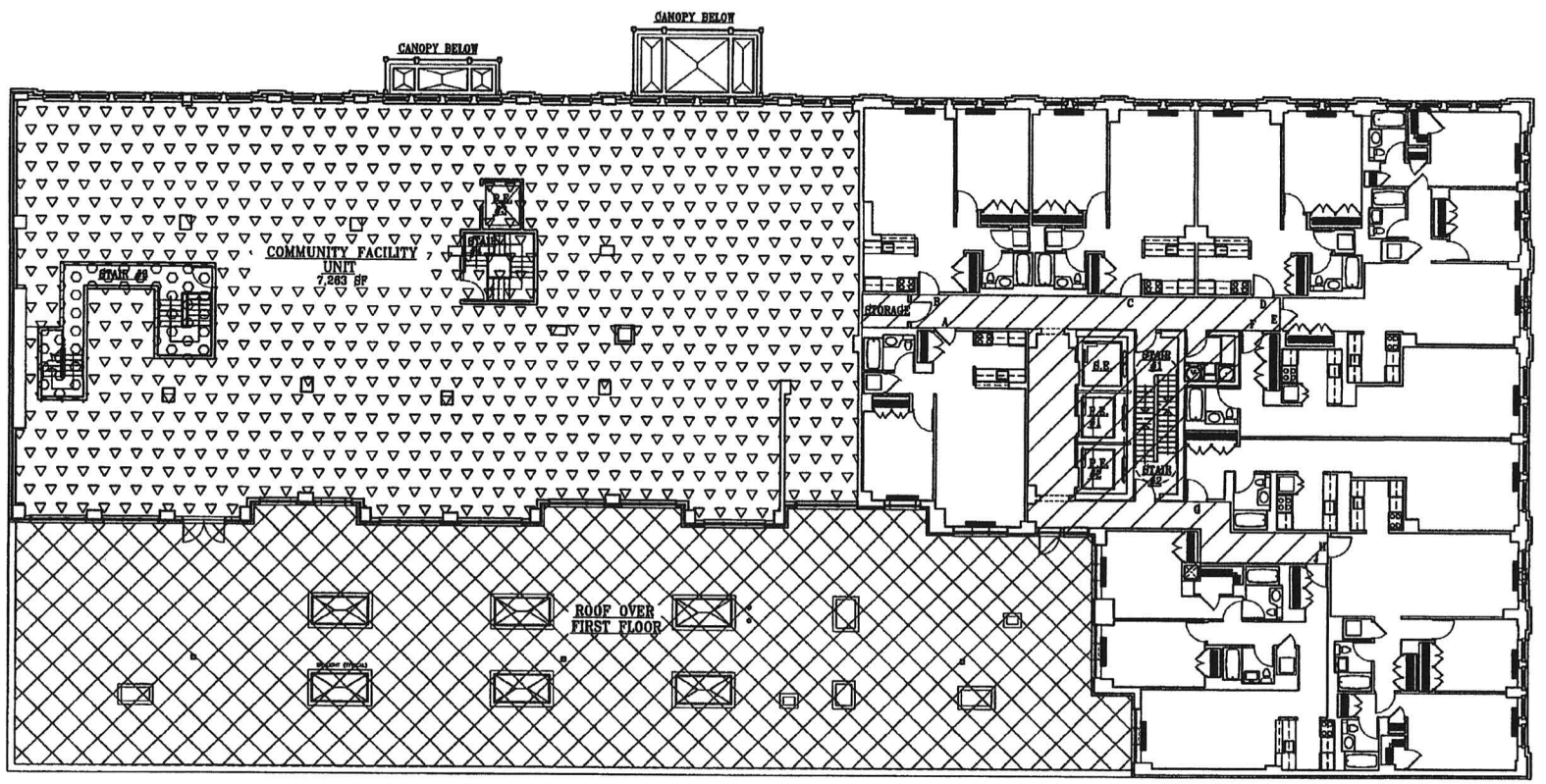


FIRST FLOOR

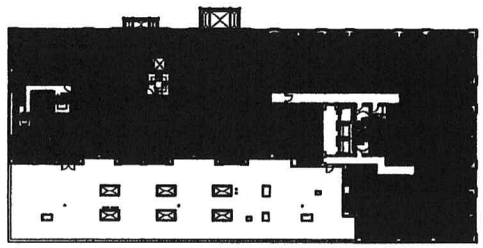
- RESIDENTIAL COMMON ELEMENTS
- GARAGE UNIT
- COMMUNITY FACILITY UNIT
- RETAIL UNIT
- VALET UNIT
- SHARED RESIDENTIAL UNIT, COMMUNITY FACILITY UNIT AND GARAGE UNIT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-2



SECOND FLOOR



RESIDENTIAL UNITS

GENERAL COMMON ELEMENTS

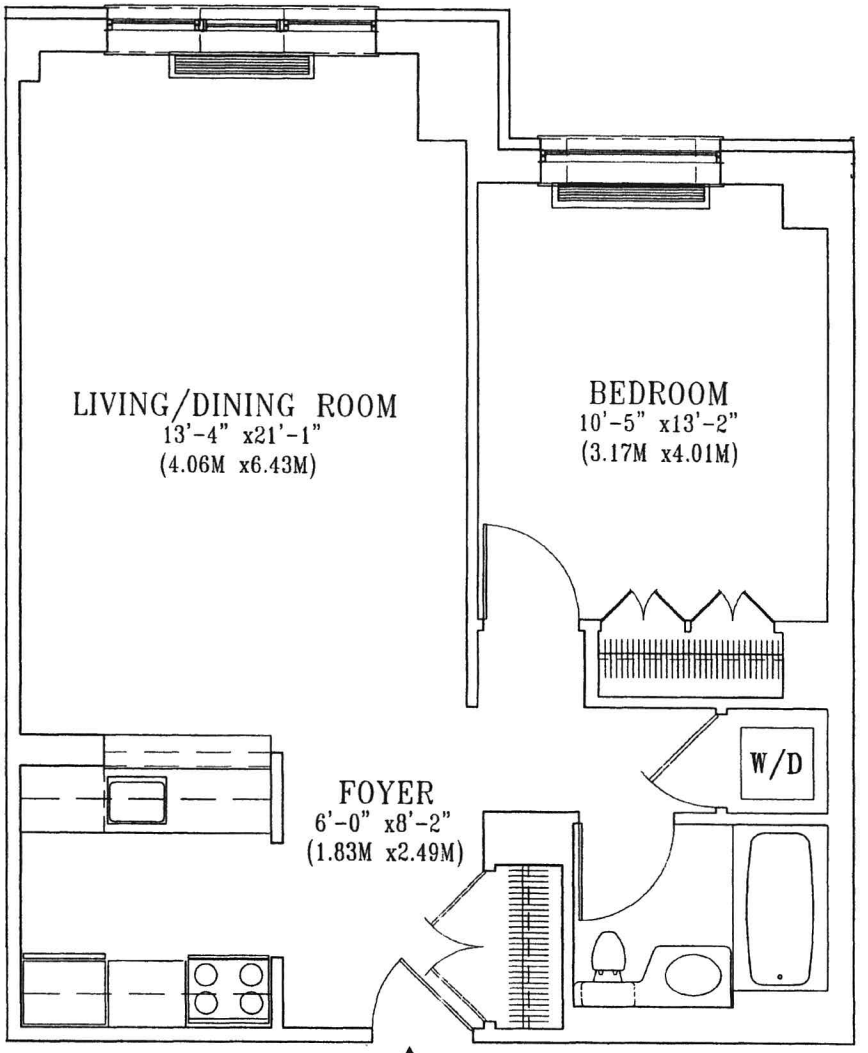
RESIDENTIAL COMMON ELEMENTS

COMMUNITY FACILITY UNIT

SHARED RESIDENTIAL UNIT AND COMMUNITY FACILITY UNIT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-3



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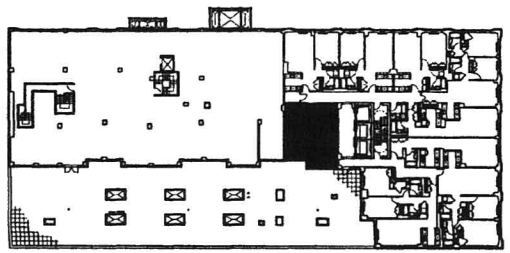


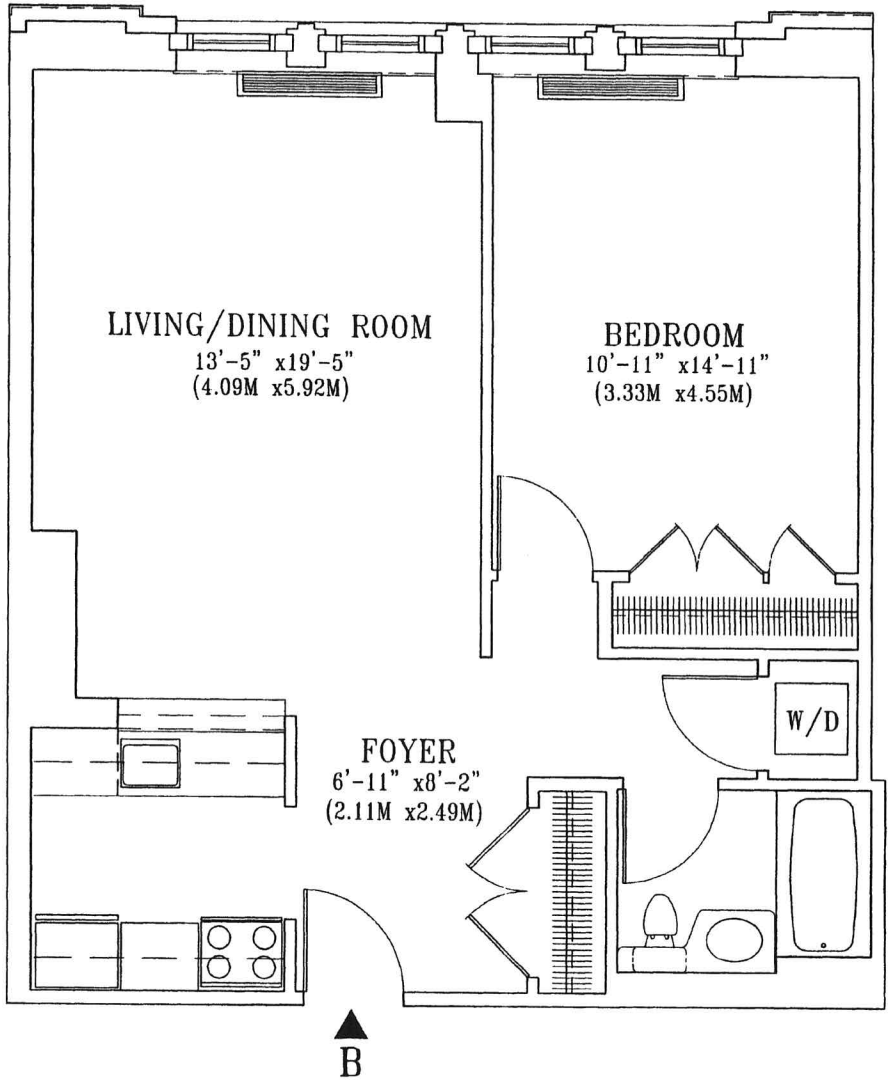
RESIDENCE A
FLOOR 2

1 BEDROOM
1 BATH
AREA = 722 SF
67.10 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-4



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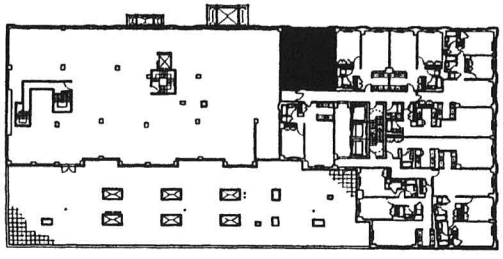


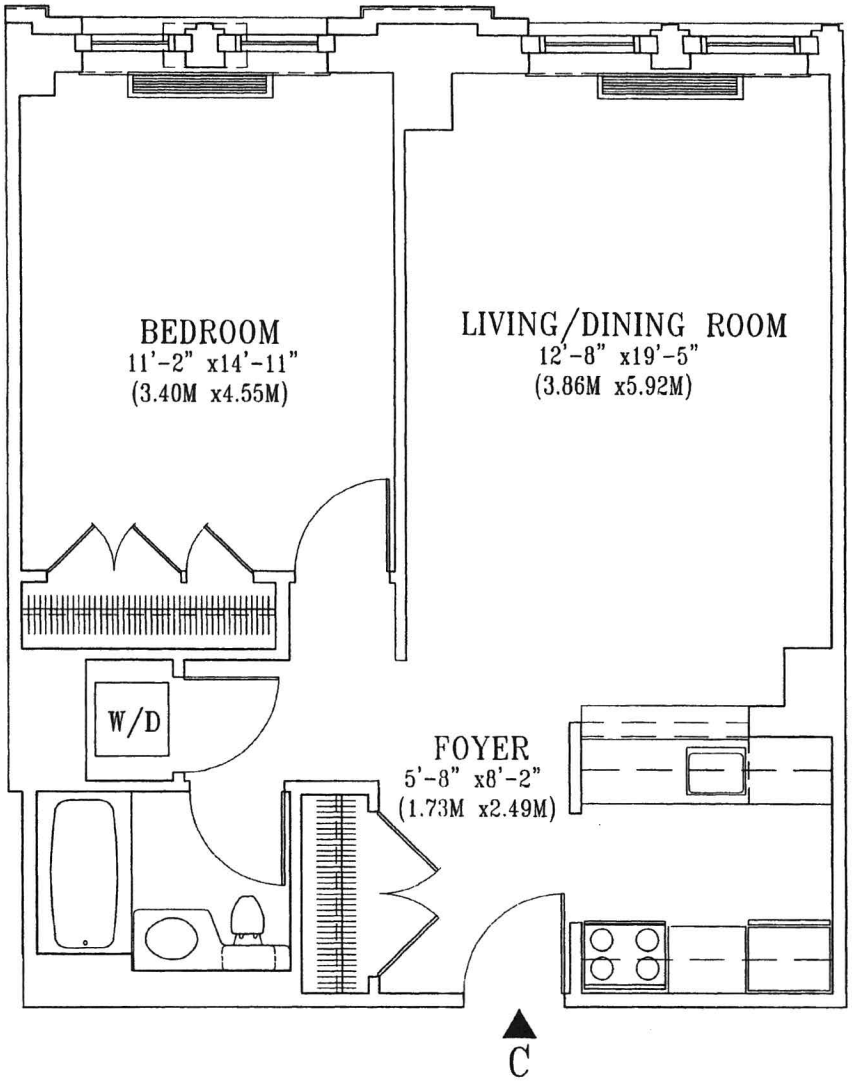
RESIDENCE B
FLOOR 2

1 BEDROOM
1 BATH
AREA = 750 SF
69.70 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-5



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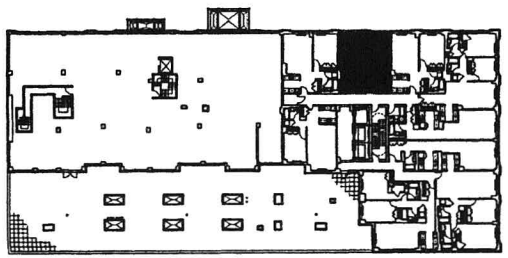


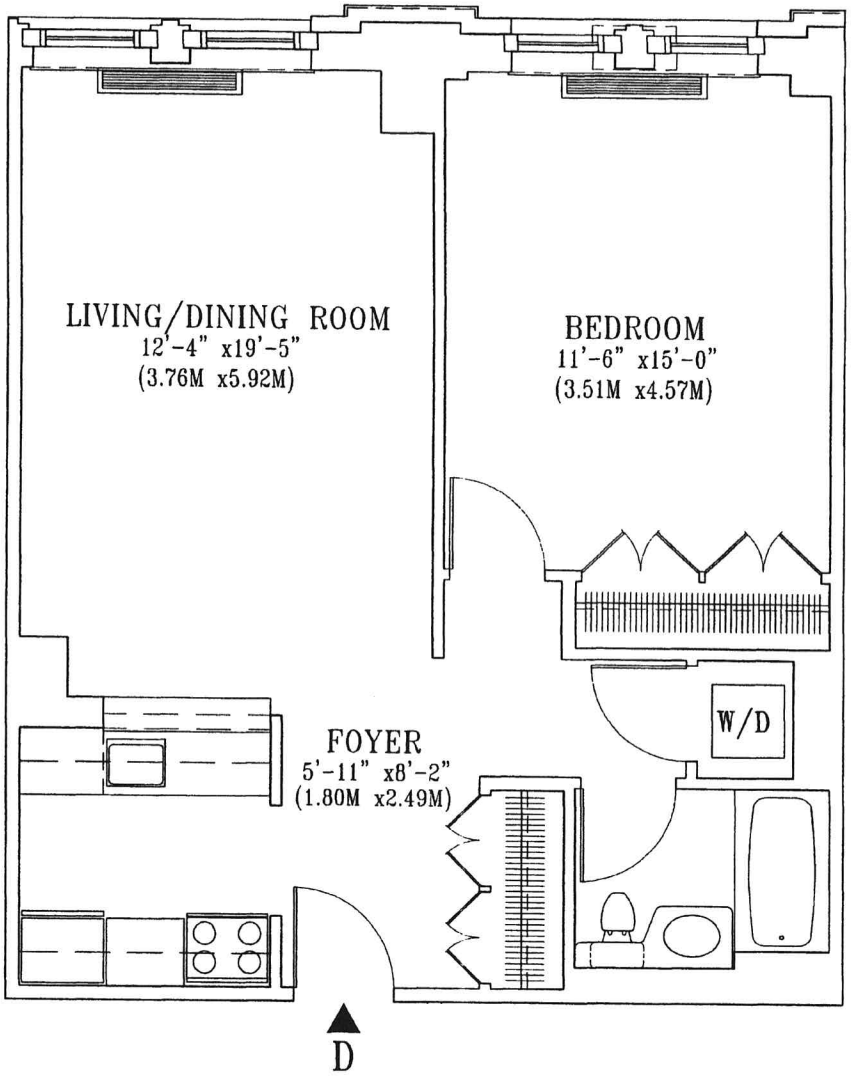
RESIDENCE C
FLOOR 2

1 BEDROOM
1 BATH
AREA = 718 SF
66.73 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-6



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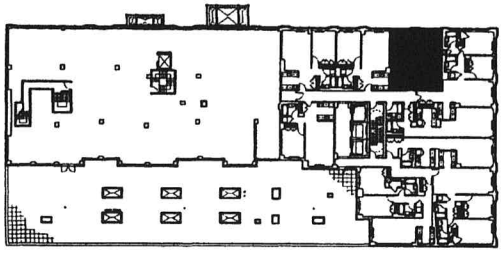


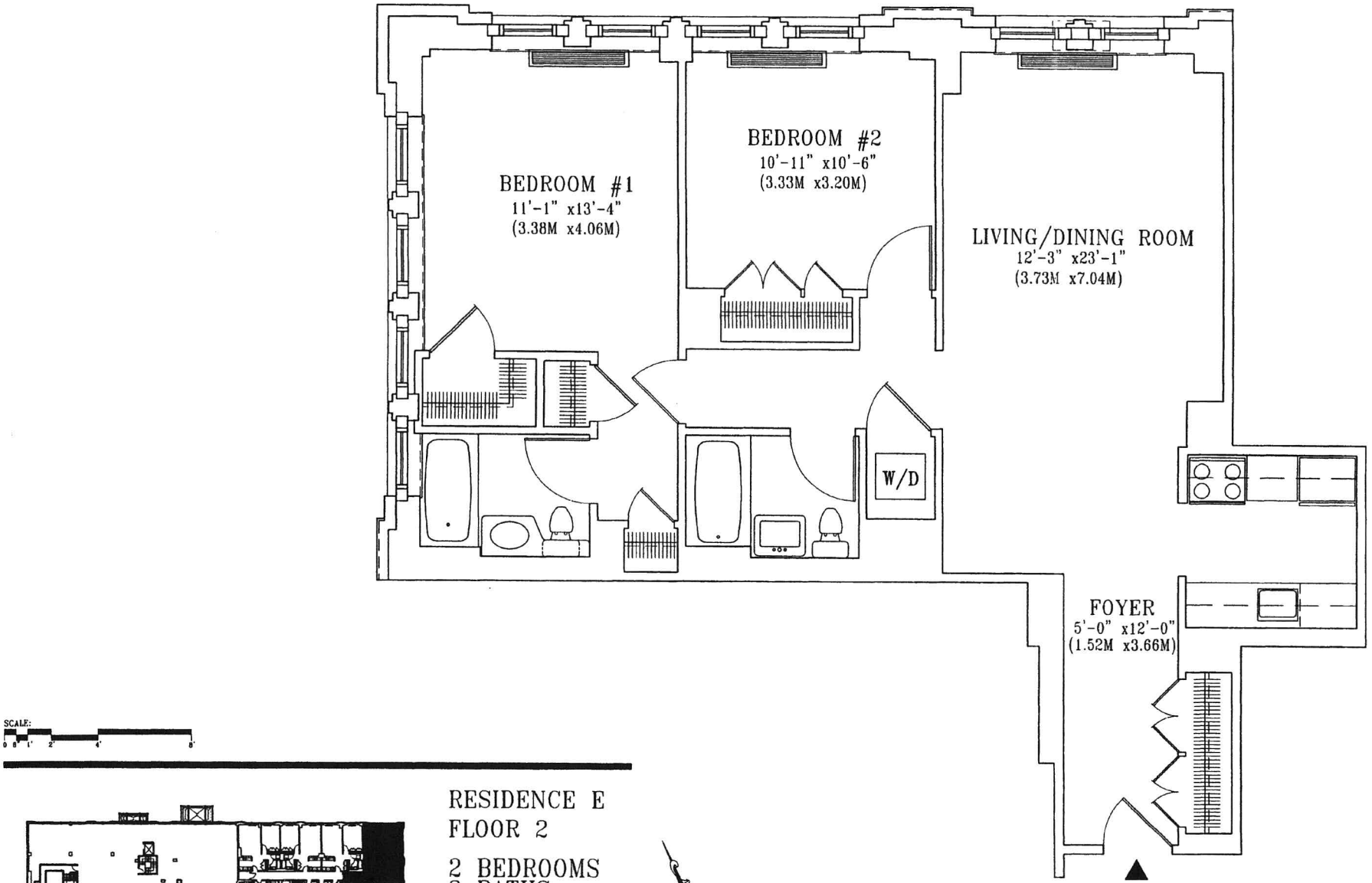
RESIDENCE D
FLOOR 2

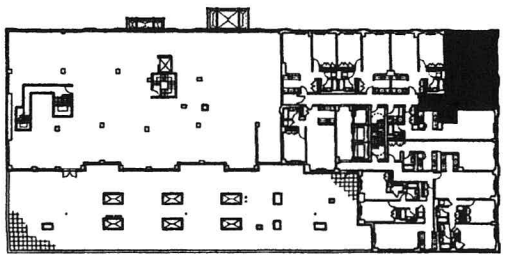
1 BEDROOM
1 BATH
AREA = 725 SF
67.38 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-7



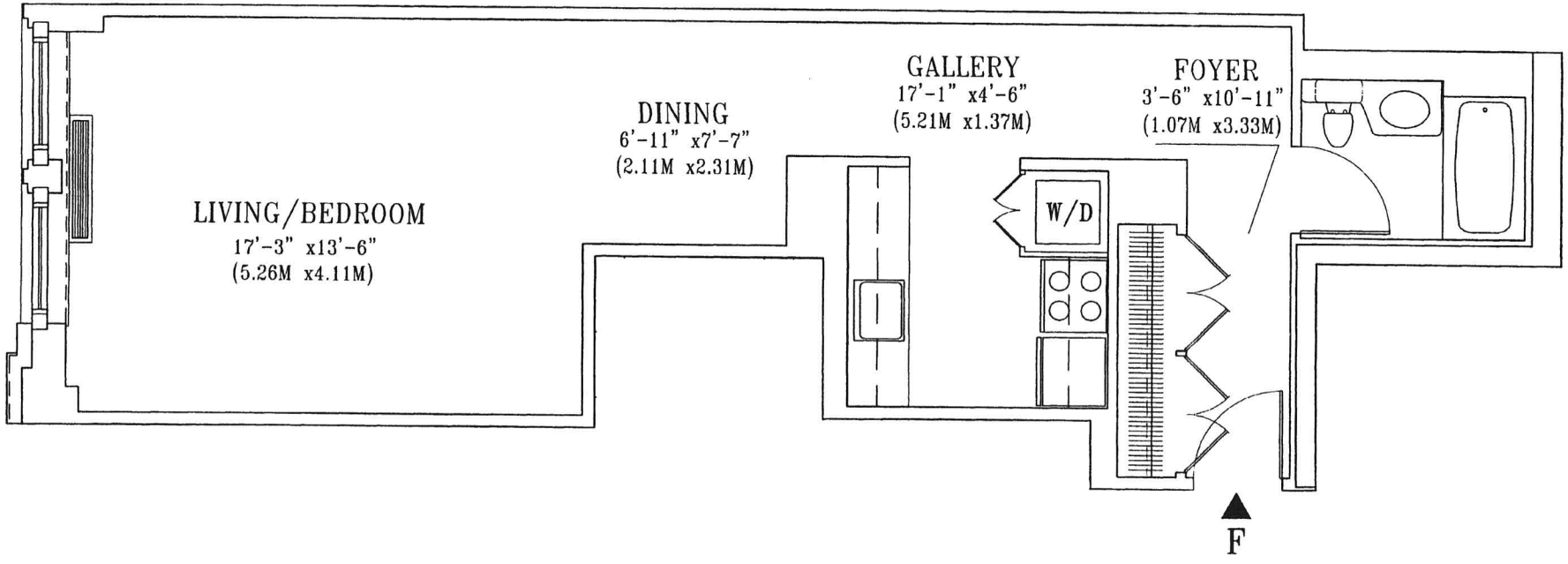


RESIDENCE E
FLOOR 2

2 BEDROOMS
2 BATHS
AREA = 1,059 SF
98.42 SM

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-8



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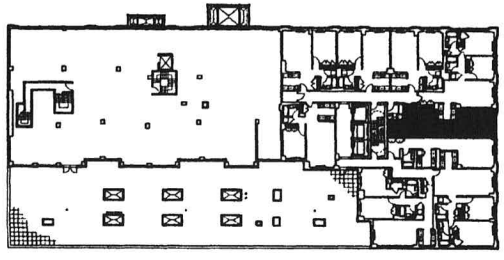


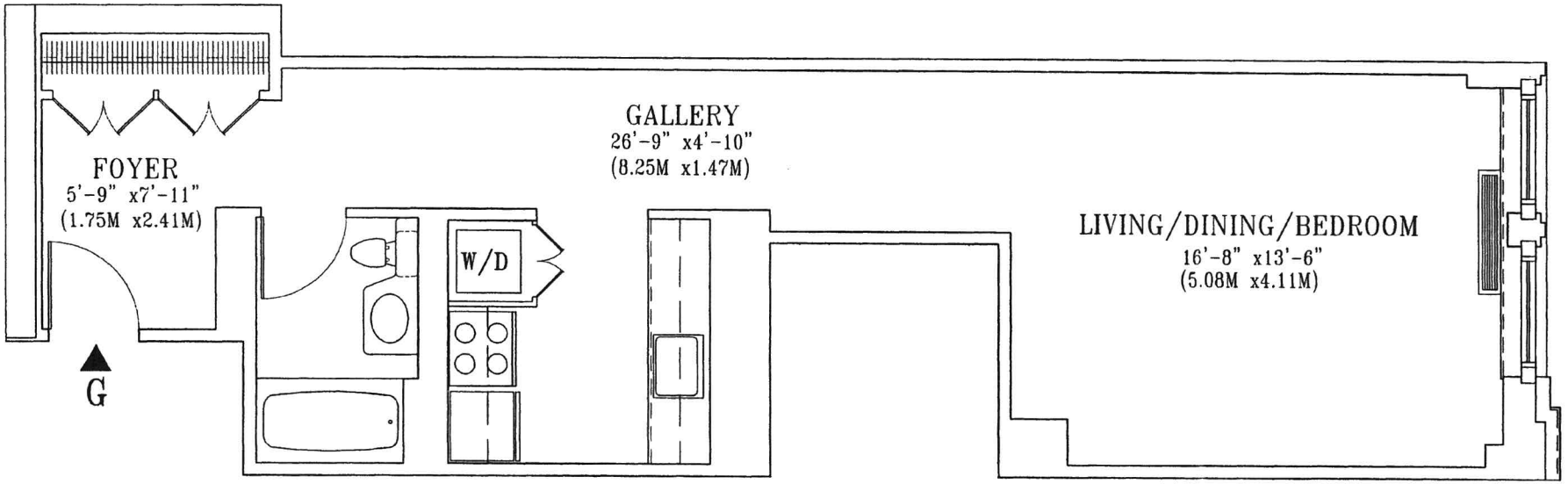
RESIDENCE F
FLOOR 2

0 BEDROOM
1 BATH
AREA = 610 SF
56.69 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-9



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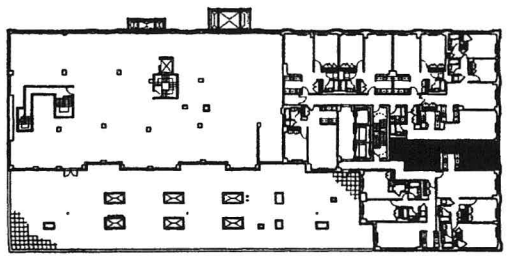


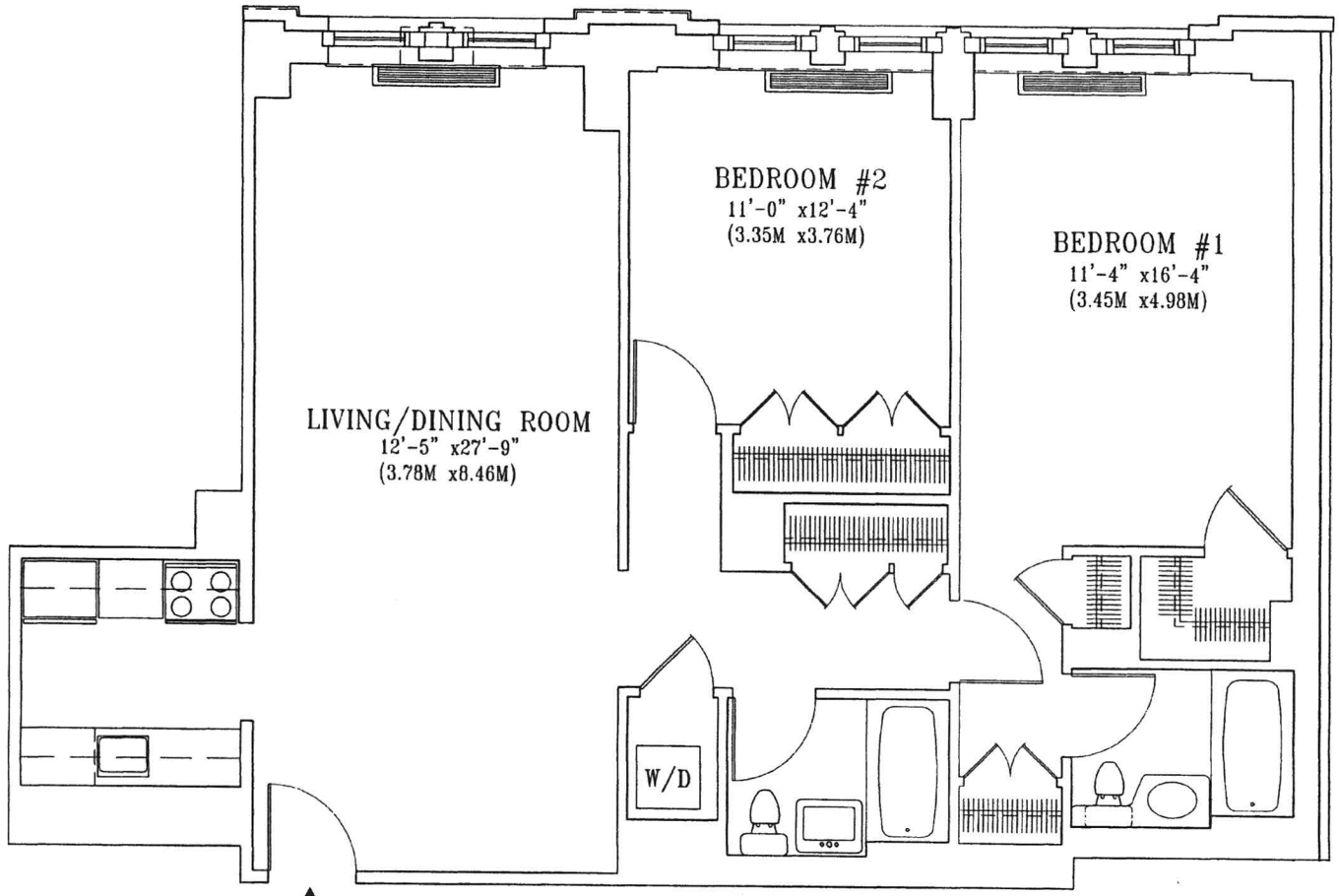
RESIDENCE G
FLOOR 2

0 BEDROOM
1 BATH
AREA = 620 SF
57.62 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-10



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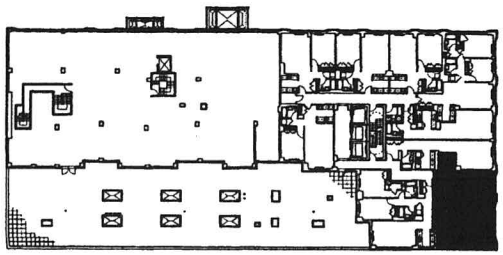


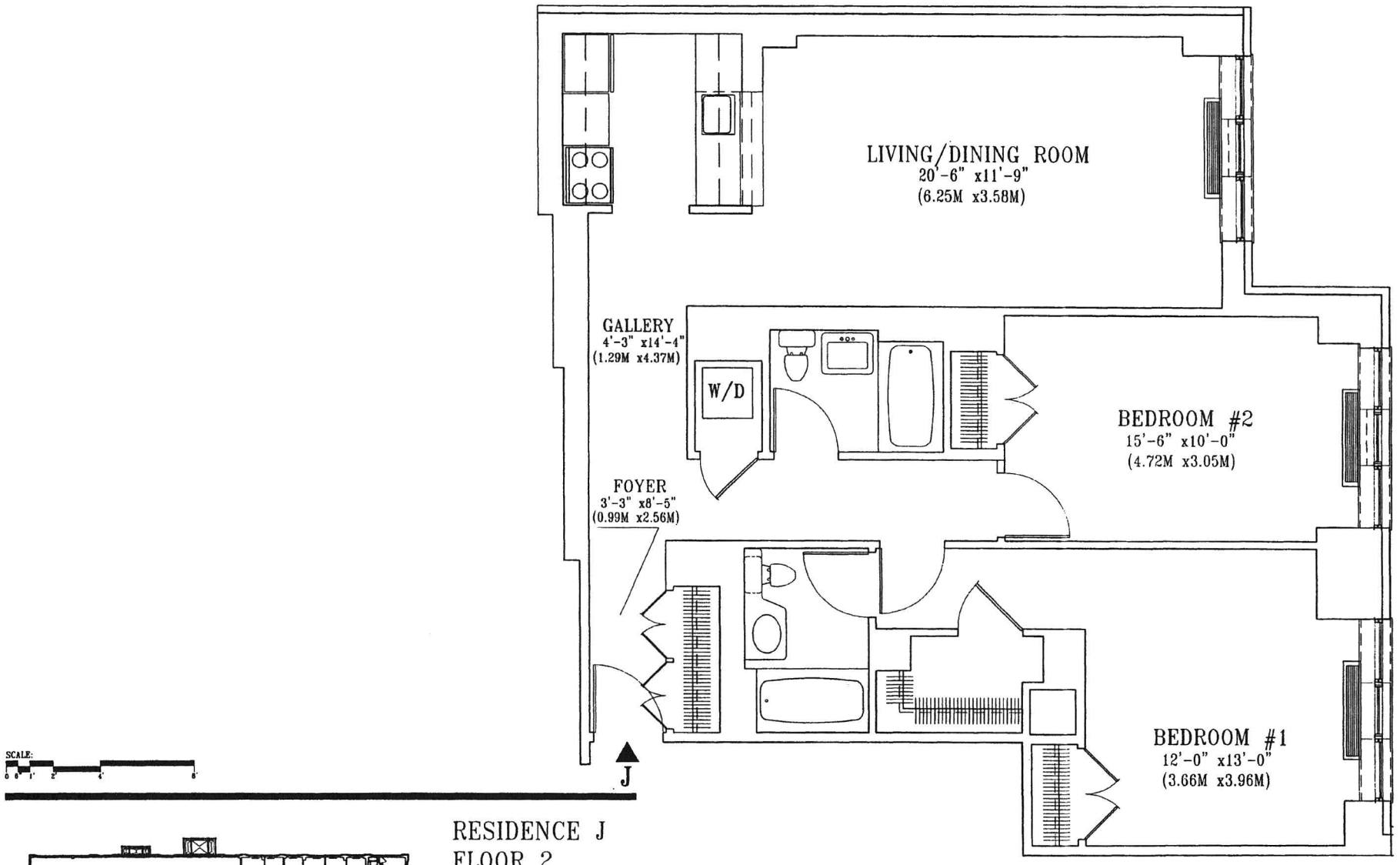
RESIDENCE H
FLOOR 2

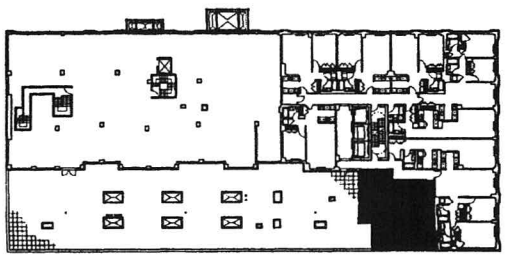
2 BEDROOMS
2 BATHS
AREA = 1,137 SF
105.67 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-11





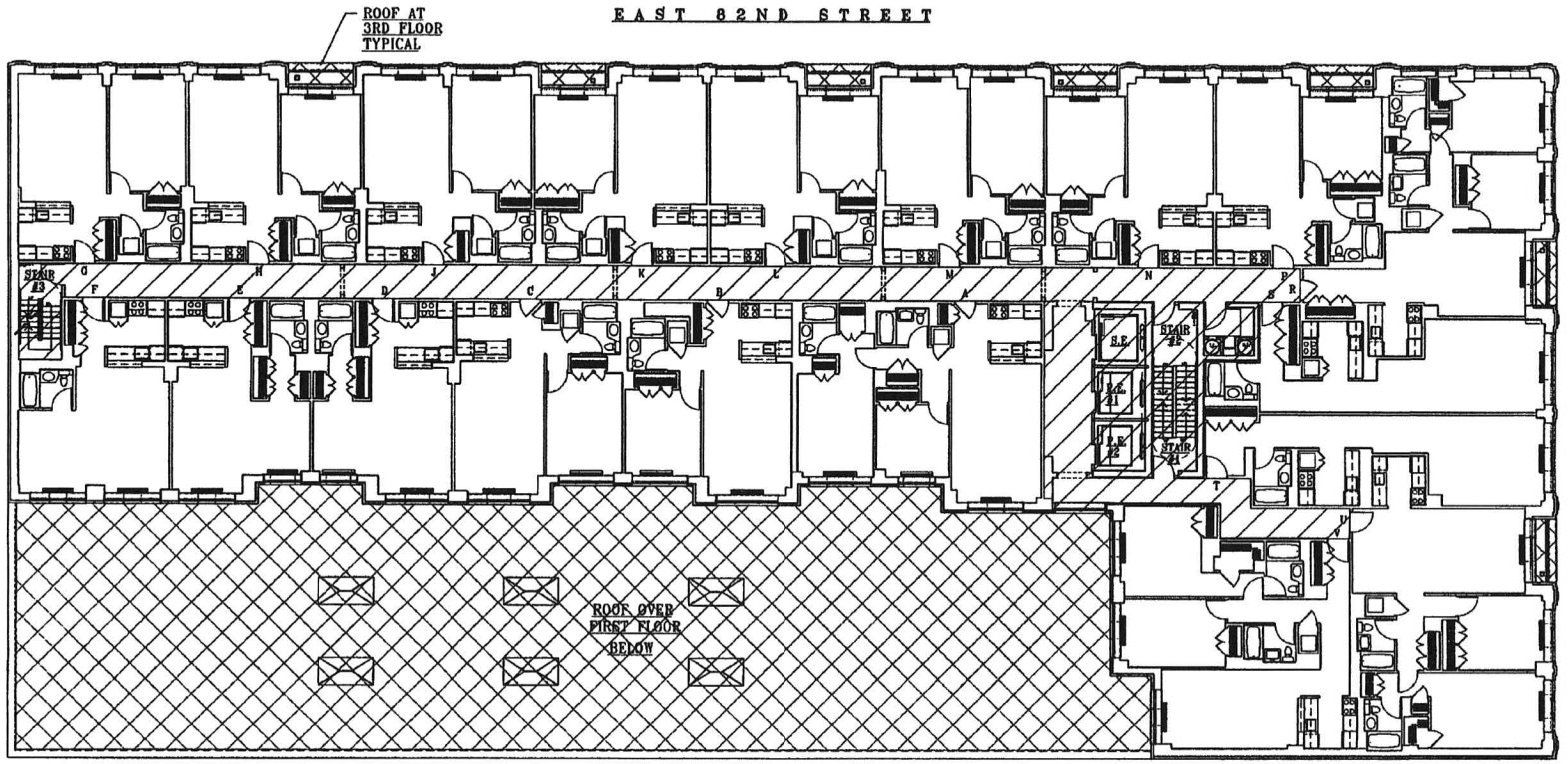
RESIDENCE J
FLOOR 2

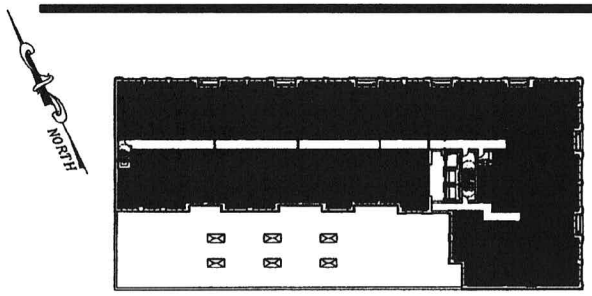
2 BEDROOMS
2 BATHS
AREA = 1,129 SF
104.93 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-12





THIRD THRU FIFTH FLOORS

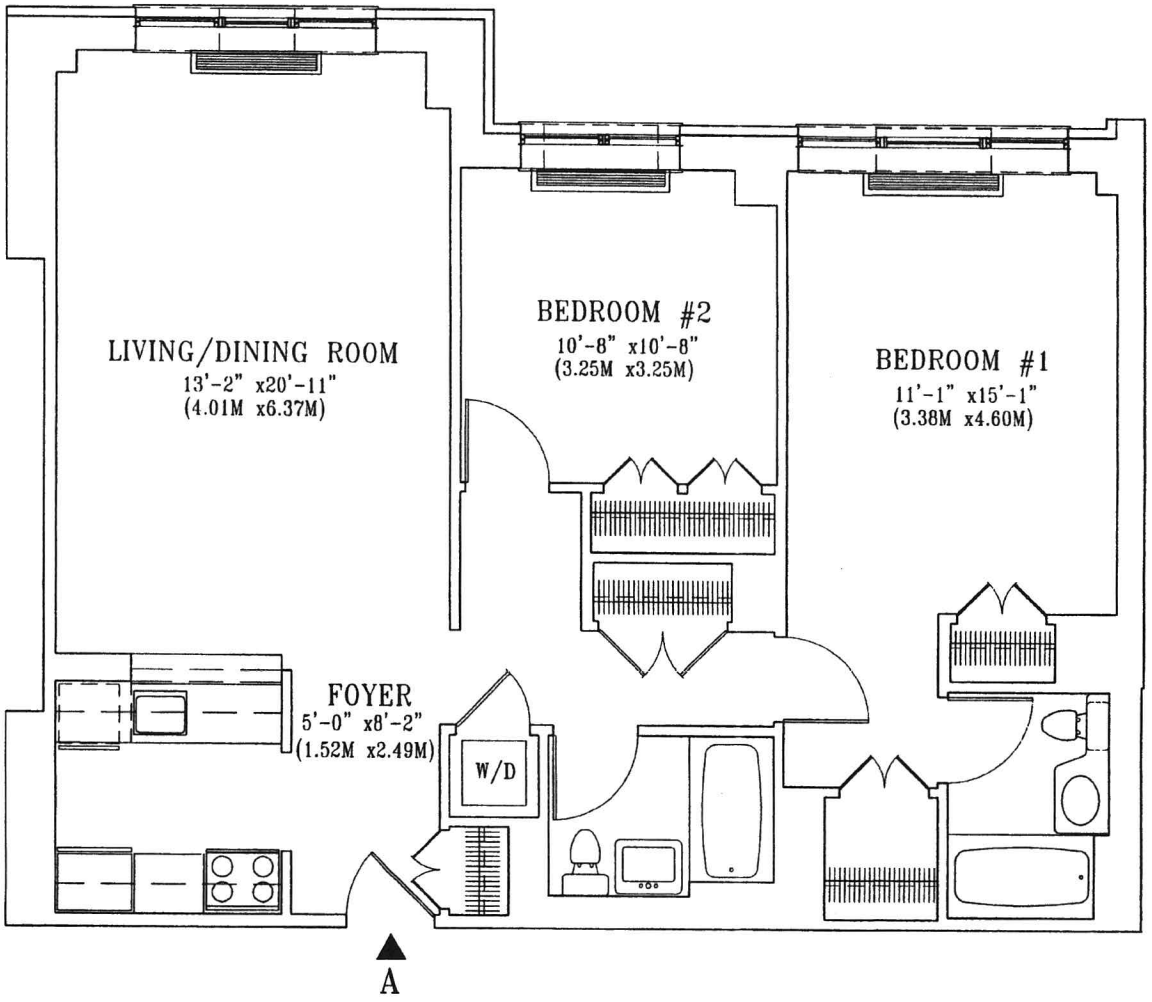
RESIDENTIAL UNITS

GENERAL COMMON ELEMENTS

RESIDENTIAL COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-13



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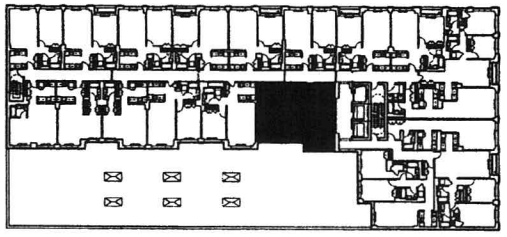


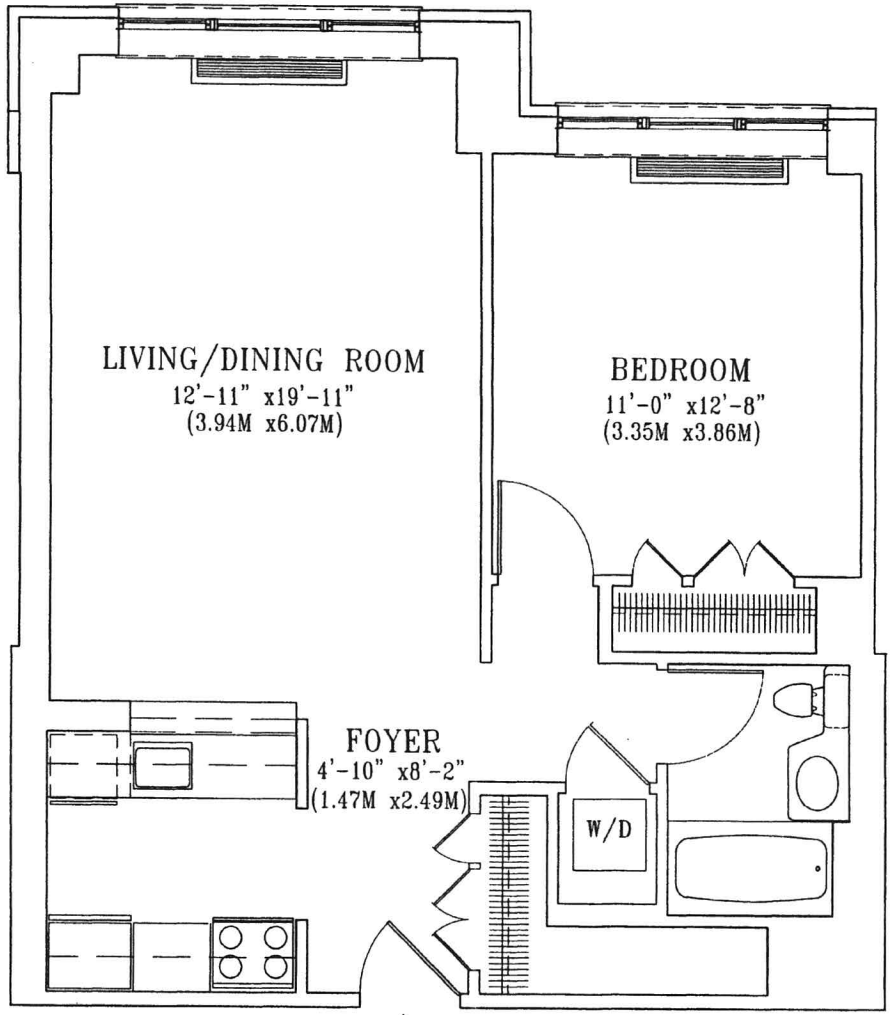
RESIDENCE A
FLOORS 3 THRU 5

2 BEDROOMS
2 BATHS
AREA = 1,035 SF
96.19 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-14



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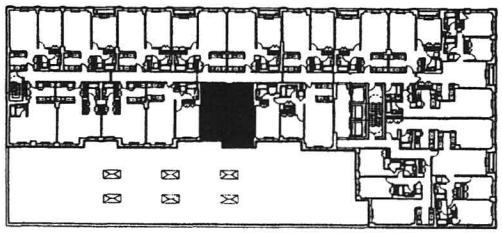


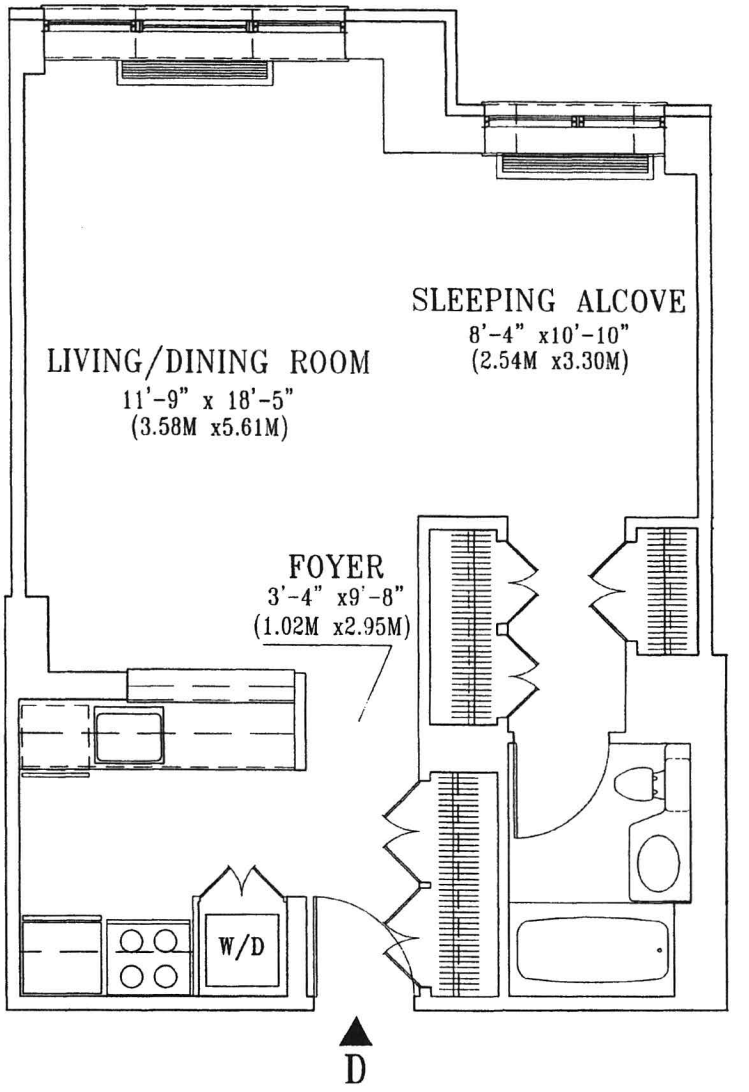
RESIDENCE B
FLOORS 3 THRU 5

1 BEDROOM
1 BATH
AREA = 712 SF
66.17 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-15



SCALE:
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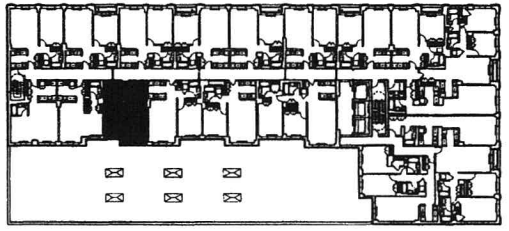


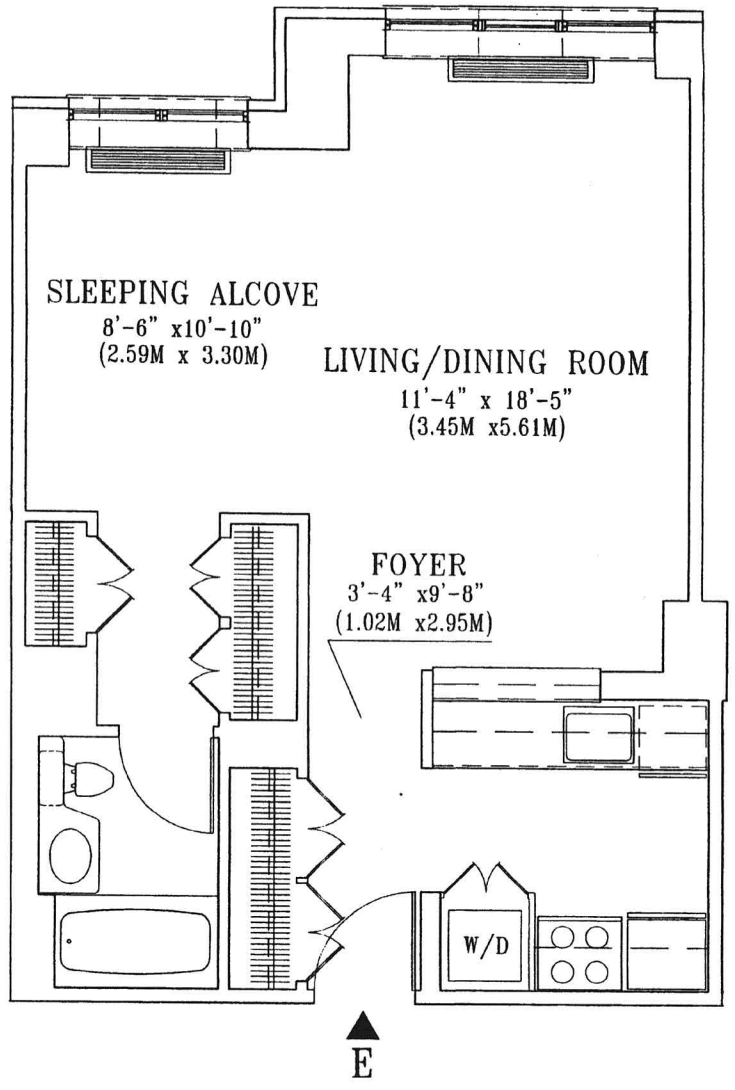
RESIDENCE D
FLOORS 3 THRU 5

0 BEDROOM
1 BATH
AREA = 593 SF
55.11 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-17



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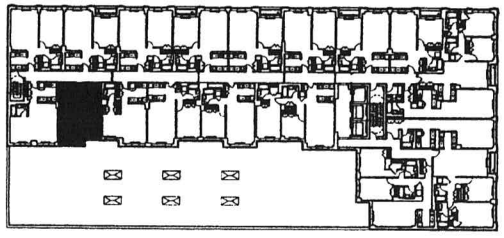


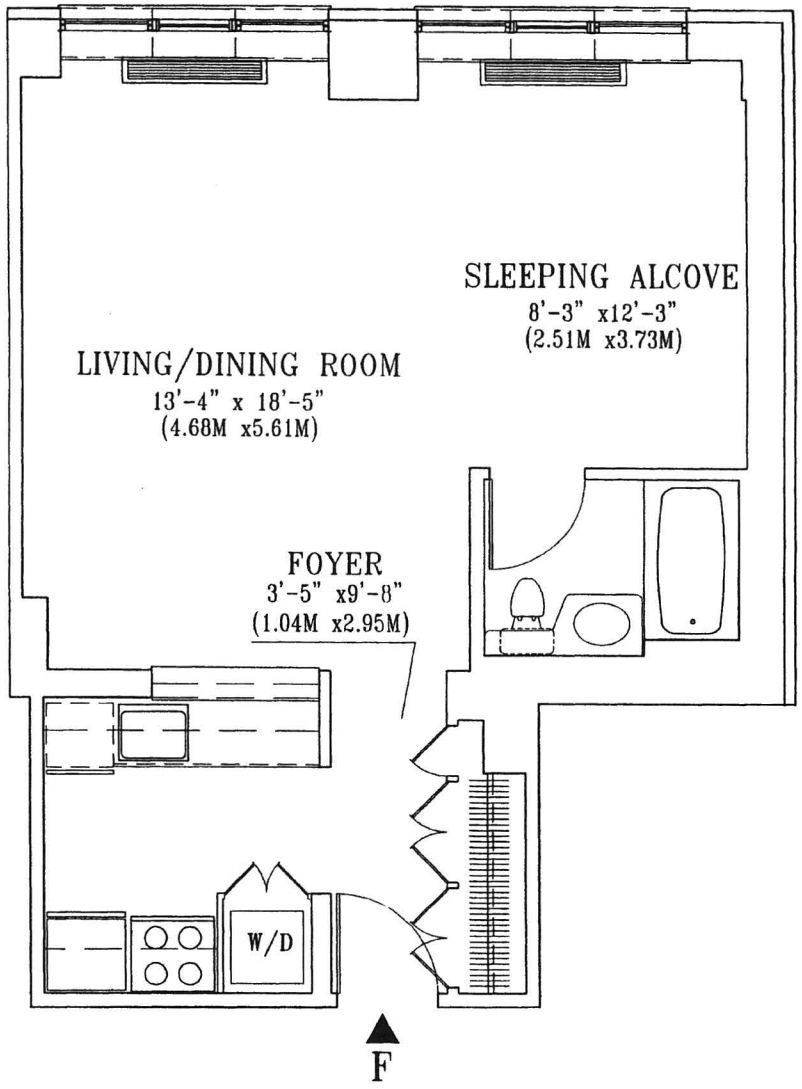
RESIDENCE E
FLOORS 3 THRU 5

0 BEDROOM
1 BATH
AREA = 586 SF
54.46 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-18



SCALE:
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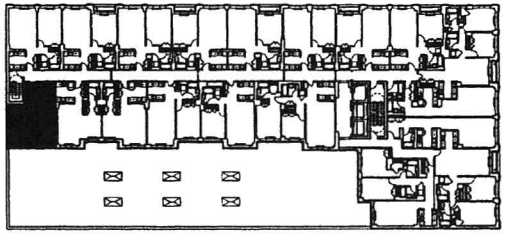


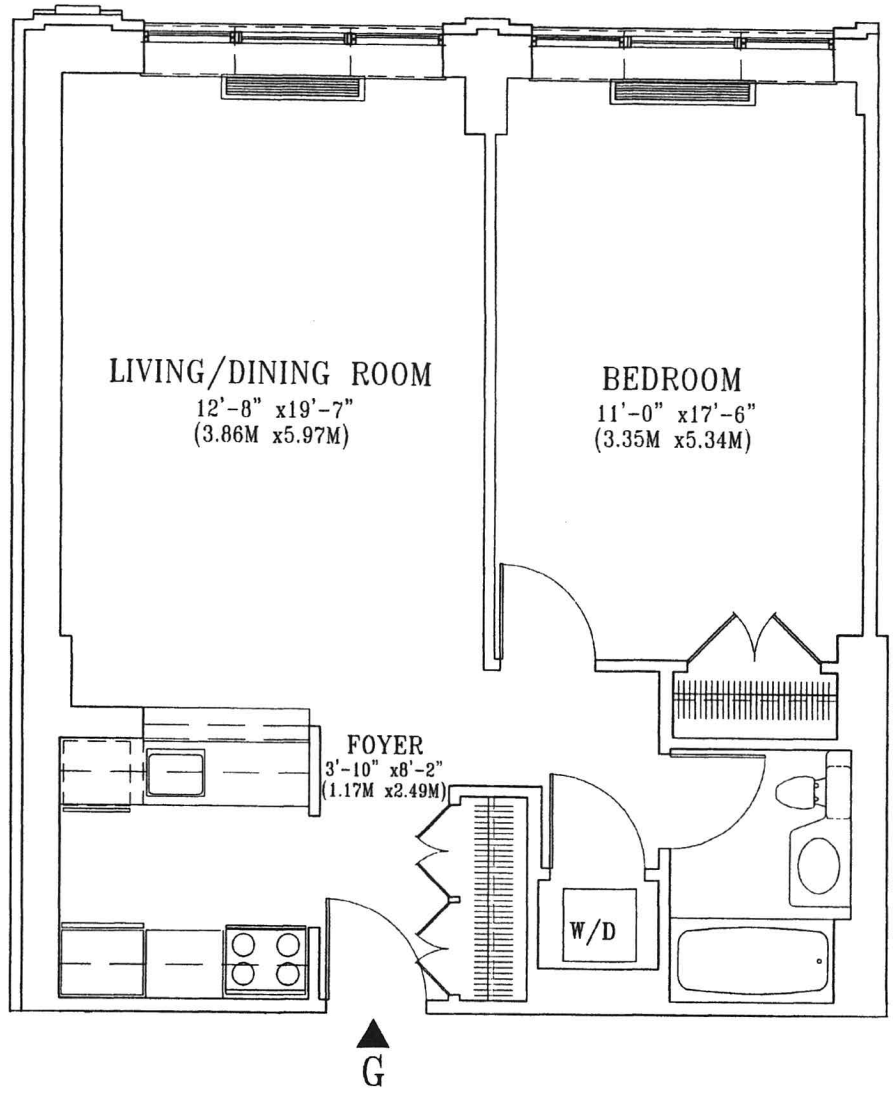
RESIDENCE F
FLOORS 3 THRU 5

0 BEDROOM
1 BATH
AREA = 612 SF
56.88 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-19



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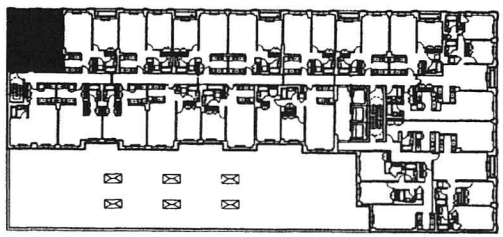


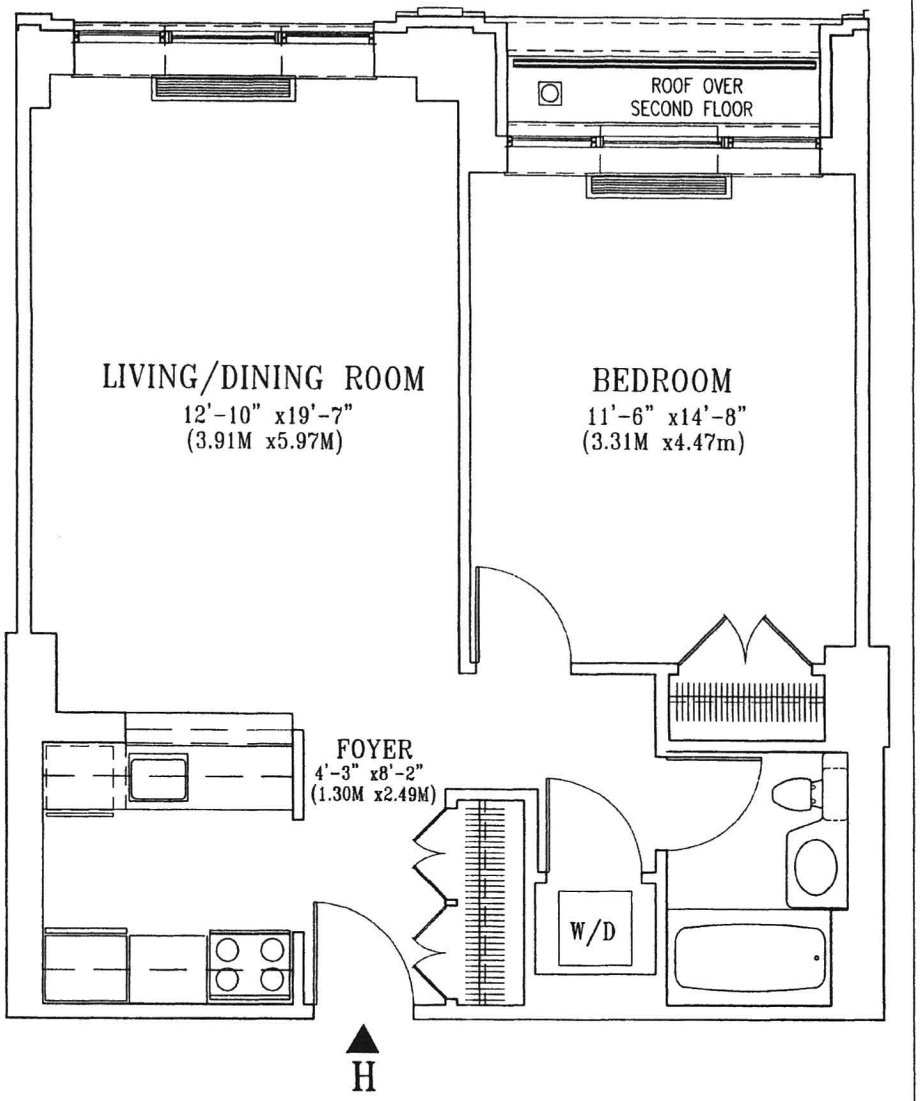
RESIDENCE G
FLOORS 3 THRU 5

1 BEDROOM
1 BATH
AREA = 747 SF
69.42 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-20



SCALE:
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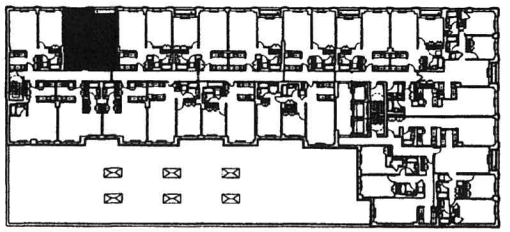


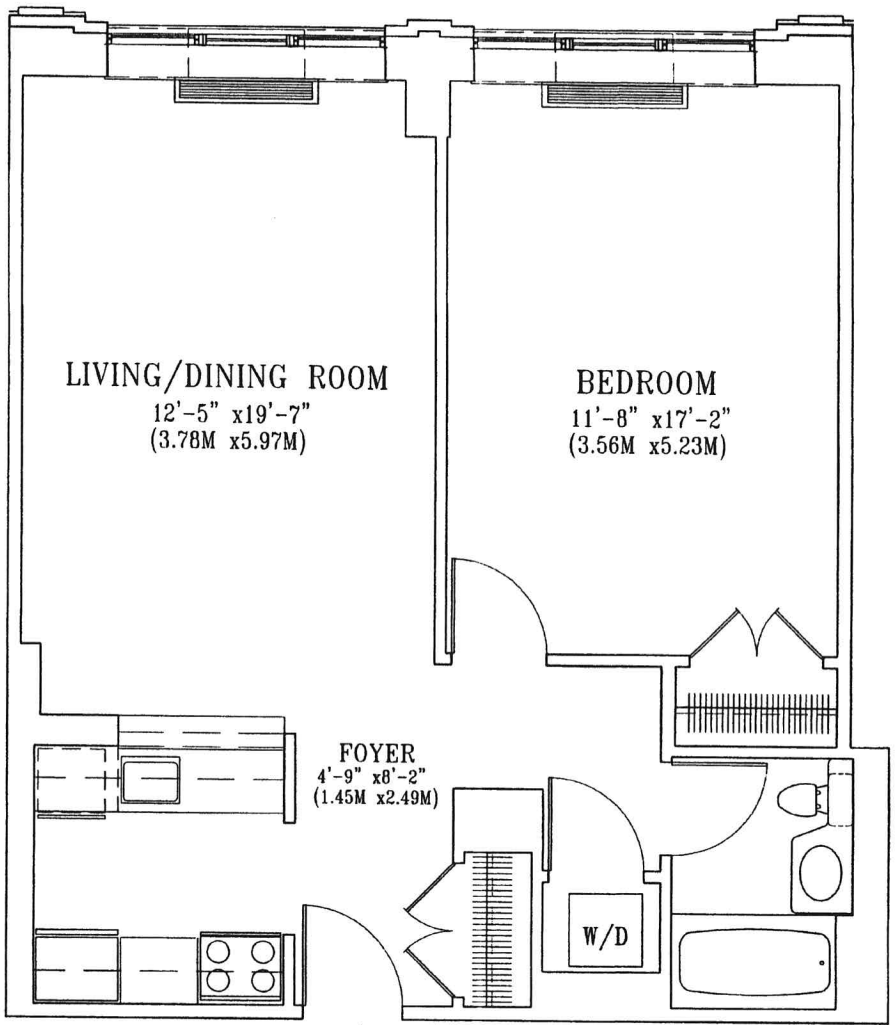
RESIDENCE H
FLOORS 3 THRU 5

1 BEDROOM
1 BATH
AREA = 714 SF
66.36 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-21



SCALE:
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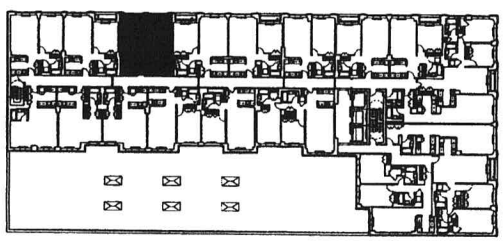


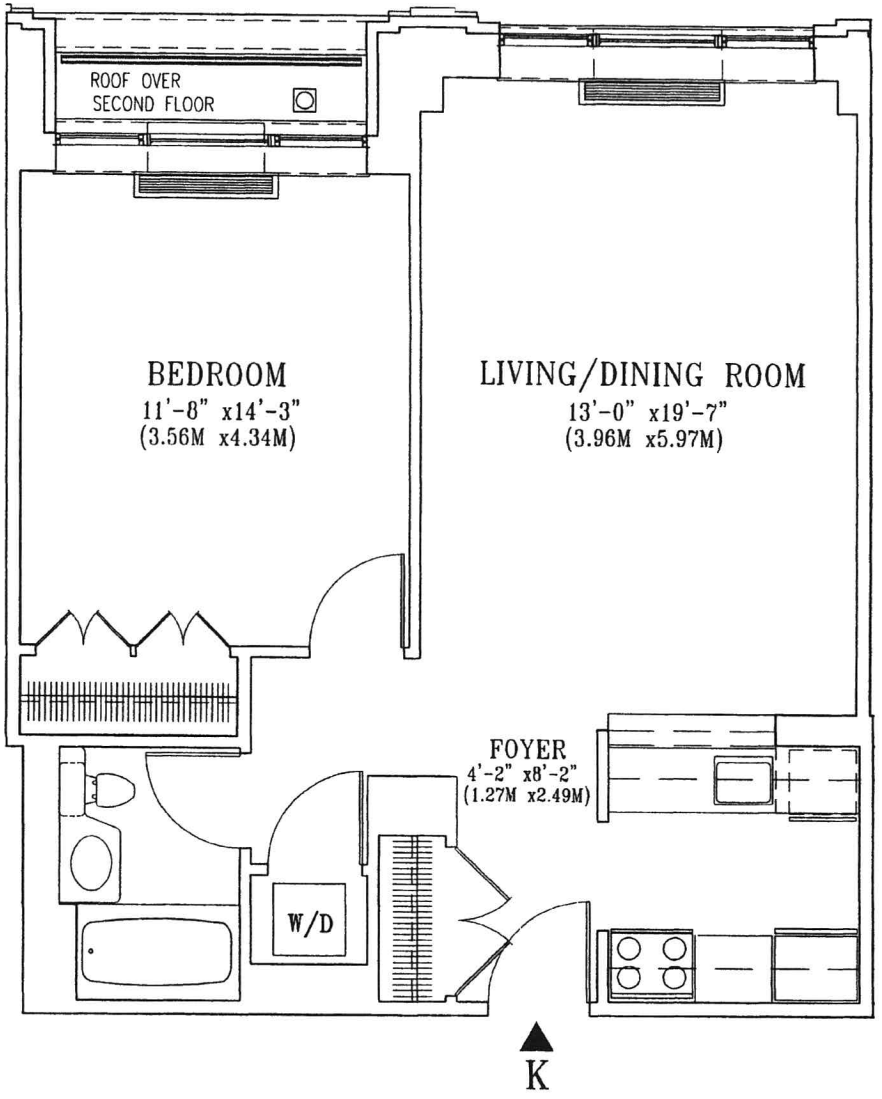
RESIDENCE J
FLOORS 3 THRU 5

1 BEDROOM
1 BATH
AREA = 737 SF
68.49 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-22



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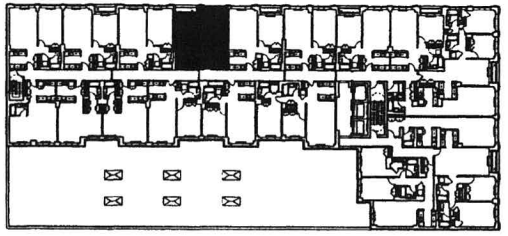


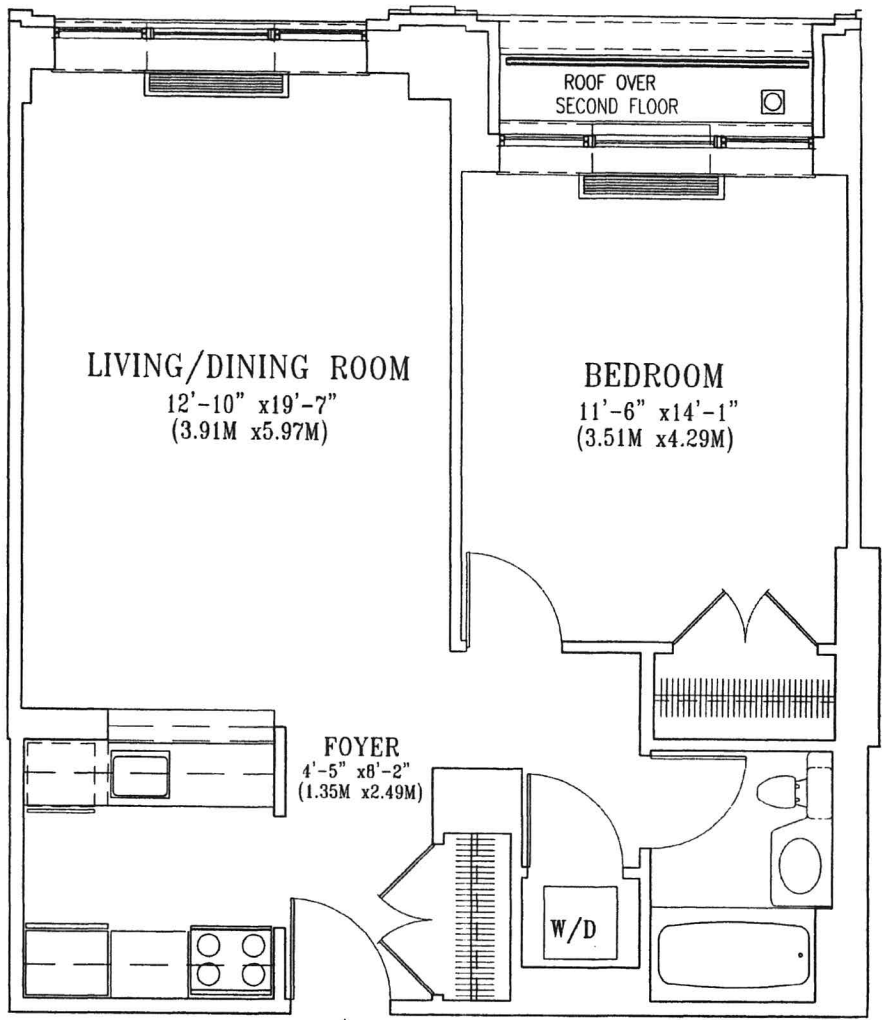
RESIDENCE K
FLOORS 3 THRU 5

1 BEDROOM
1 BATH
AREA = 718 SF
66.73 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-23



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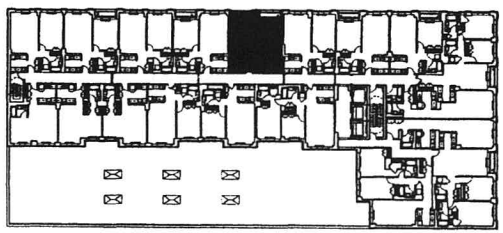


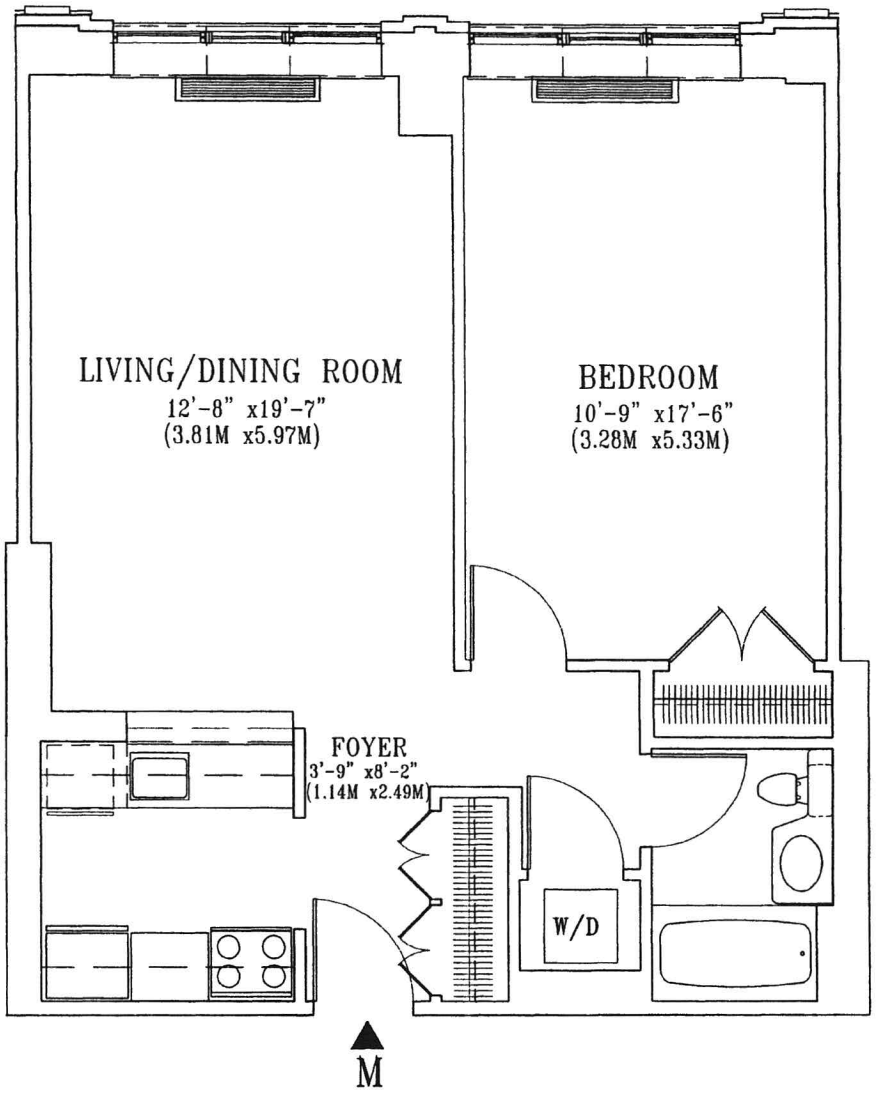
RESIDENCE L
FLOORS 3 THRU 5

1 BEDROOM
1 BATH
AREA = 716 SF
66.54 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-24



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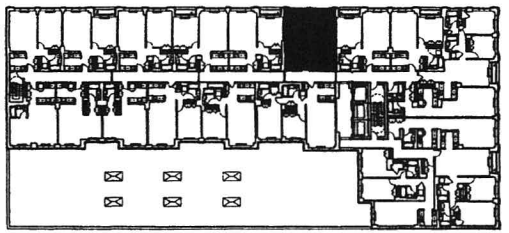


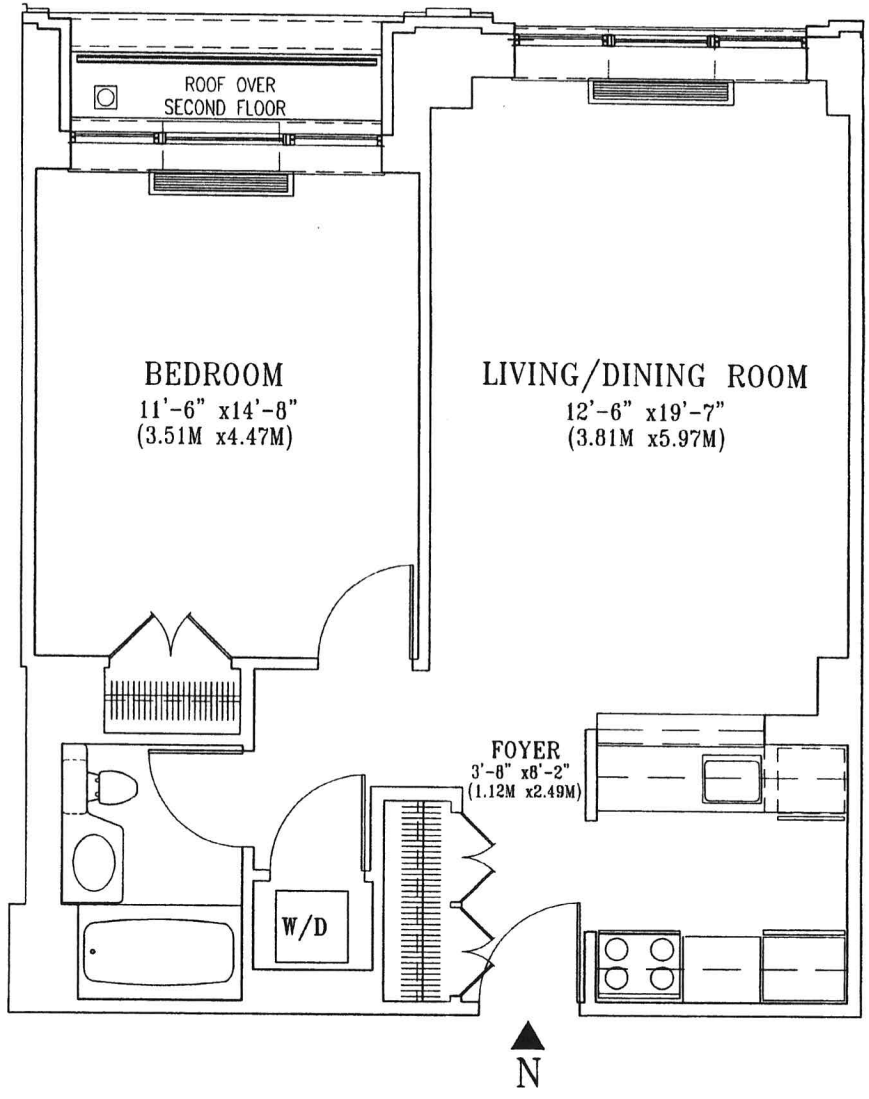
RESIDENCE M
FLOORS 3 THRU 5

1 BEDROOM
1 BATH
AREA = 717 SF
66.54 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-25



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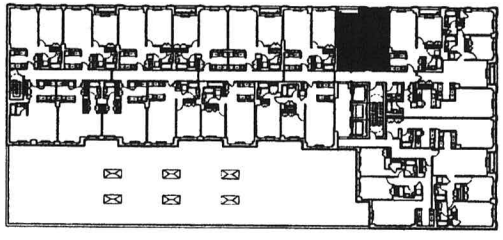


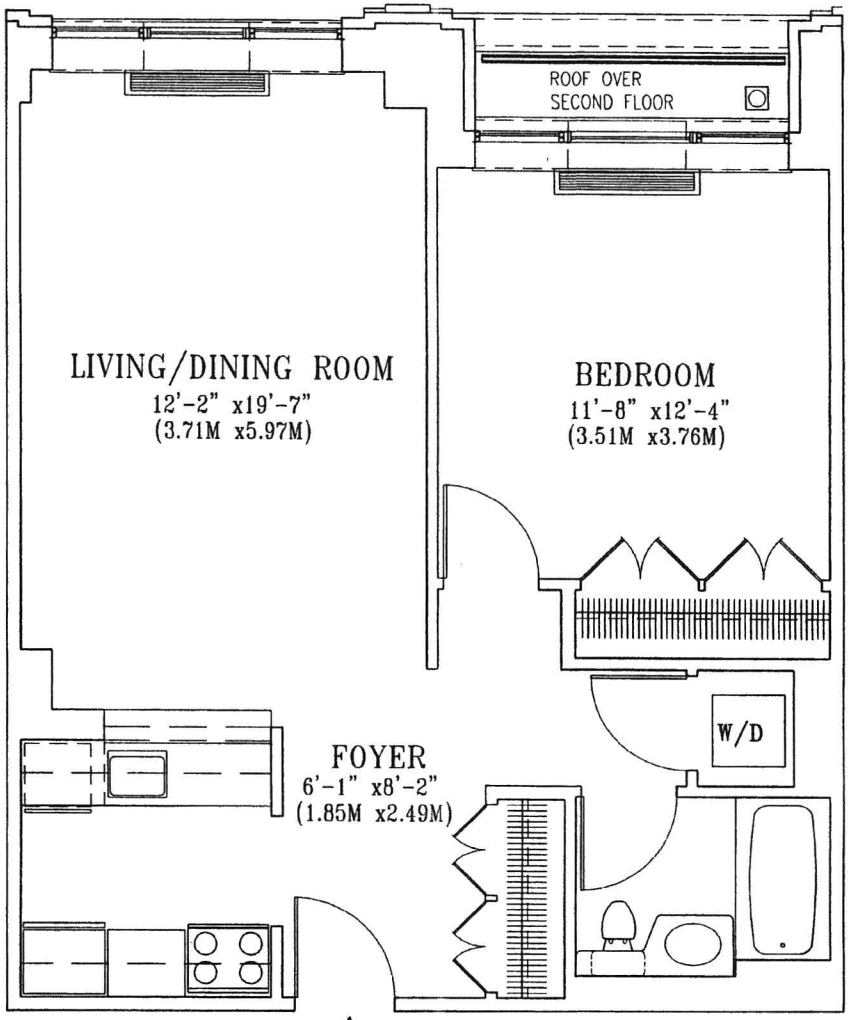
RESIDENCE N
FLOORS 3 THRU 5

1 BEDROOM
1 BATH
AREA = 700 SF
65.06 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-26



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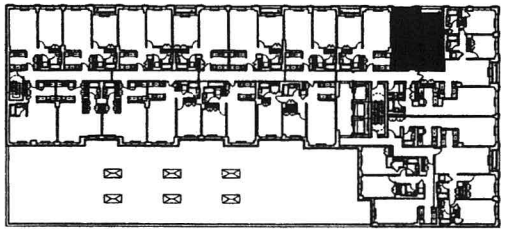


RESIDENCE P
FLOORS 3 THRU 5

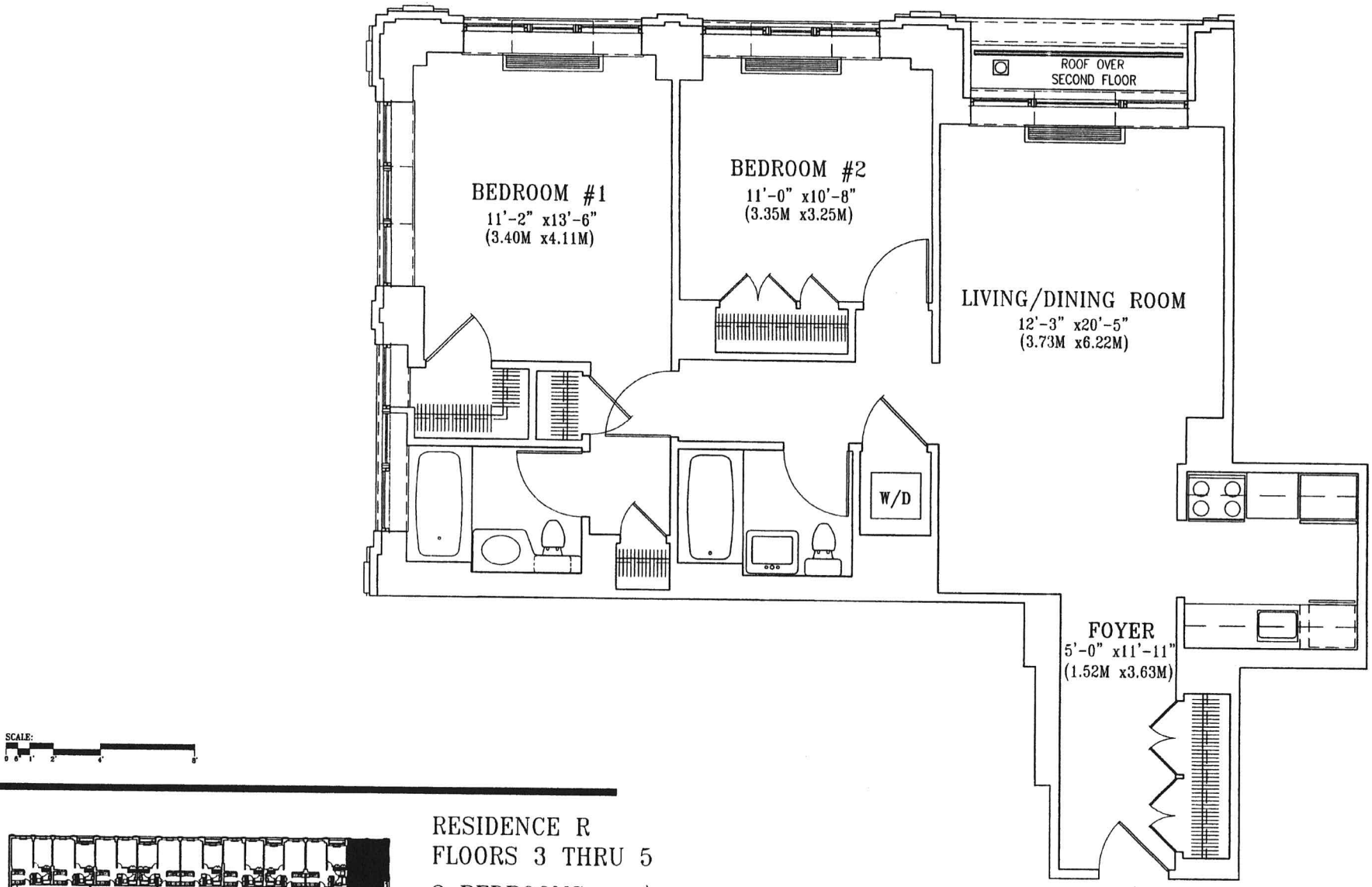
1 BEDROOM
1 BATH

AREA = 700 SF
65.06 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-27



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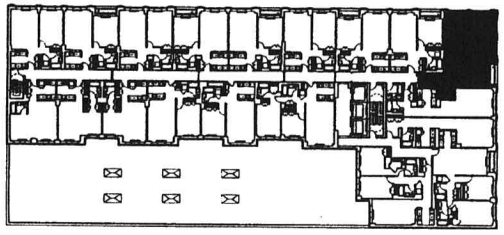


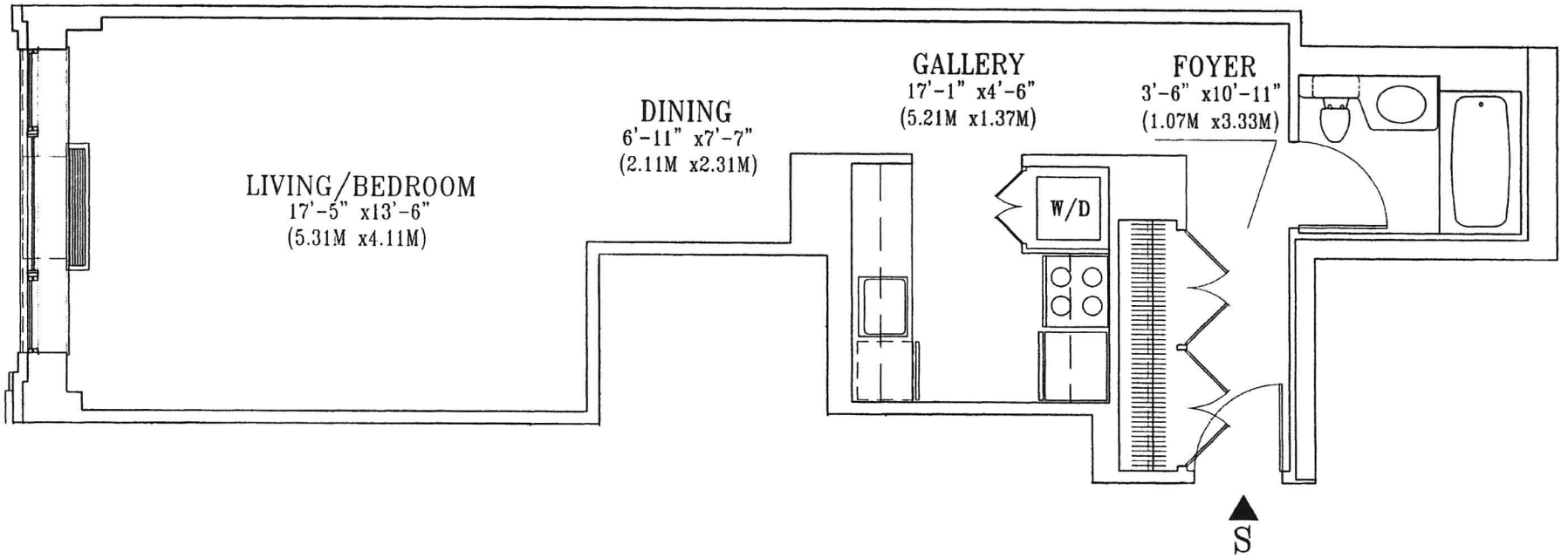
RESIDENCE R
FLOORS 3 THRU 5

2 BEDROOMS
2 BATHS
AREA = 1,037 SF
96.38 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-28



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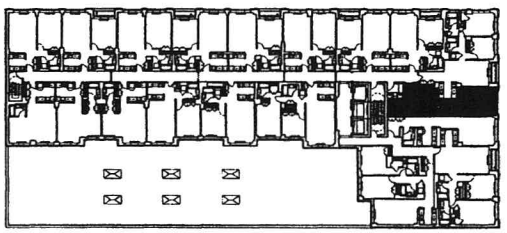


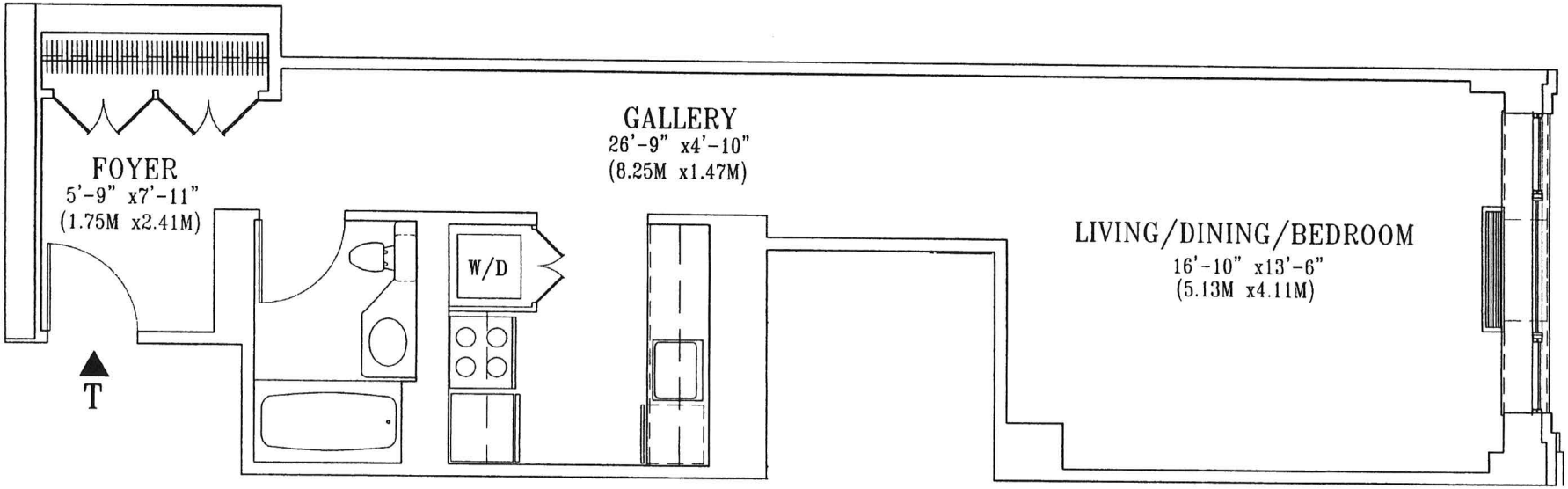
RESIDENCE S
FLOORS 3 THRU 5

0 BEDROOM
1 BATH
AREA = 610 SF
56.69 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-29



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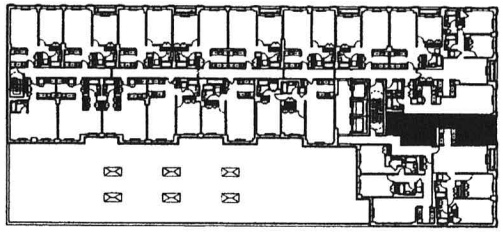


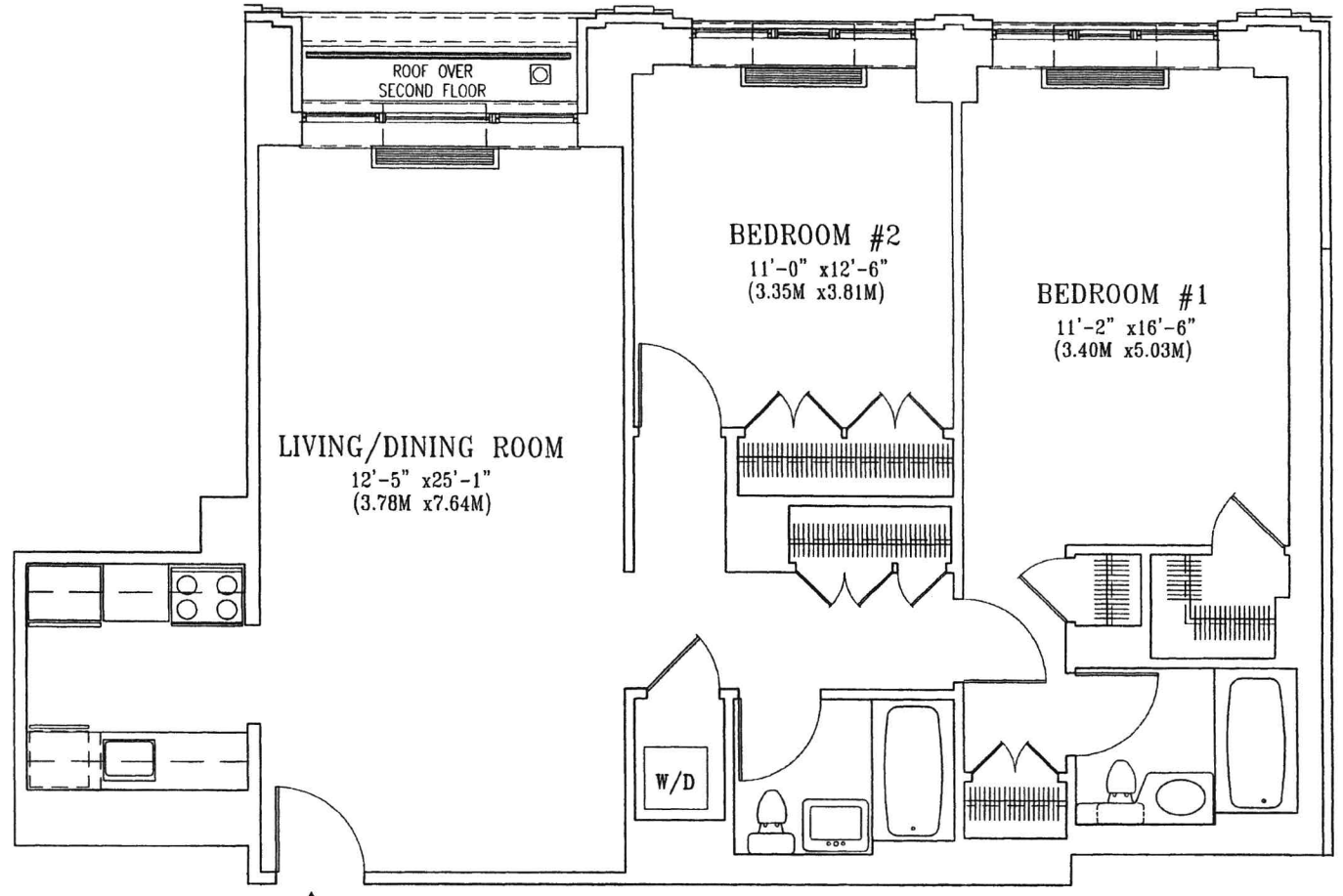
RESIDENCE T
FLOORS 3 THRU 5

0 BEDROOM
1 BATH
AREA = 620 SF
57.62 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-30



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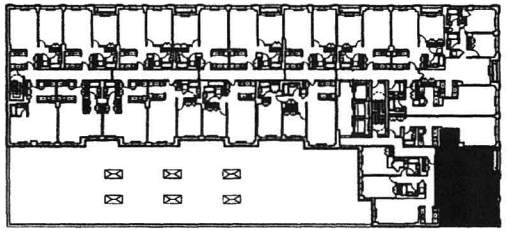


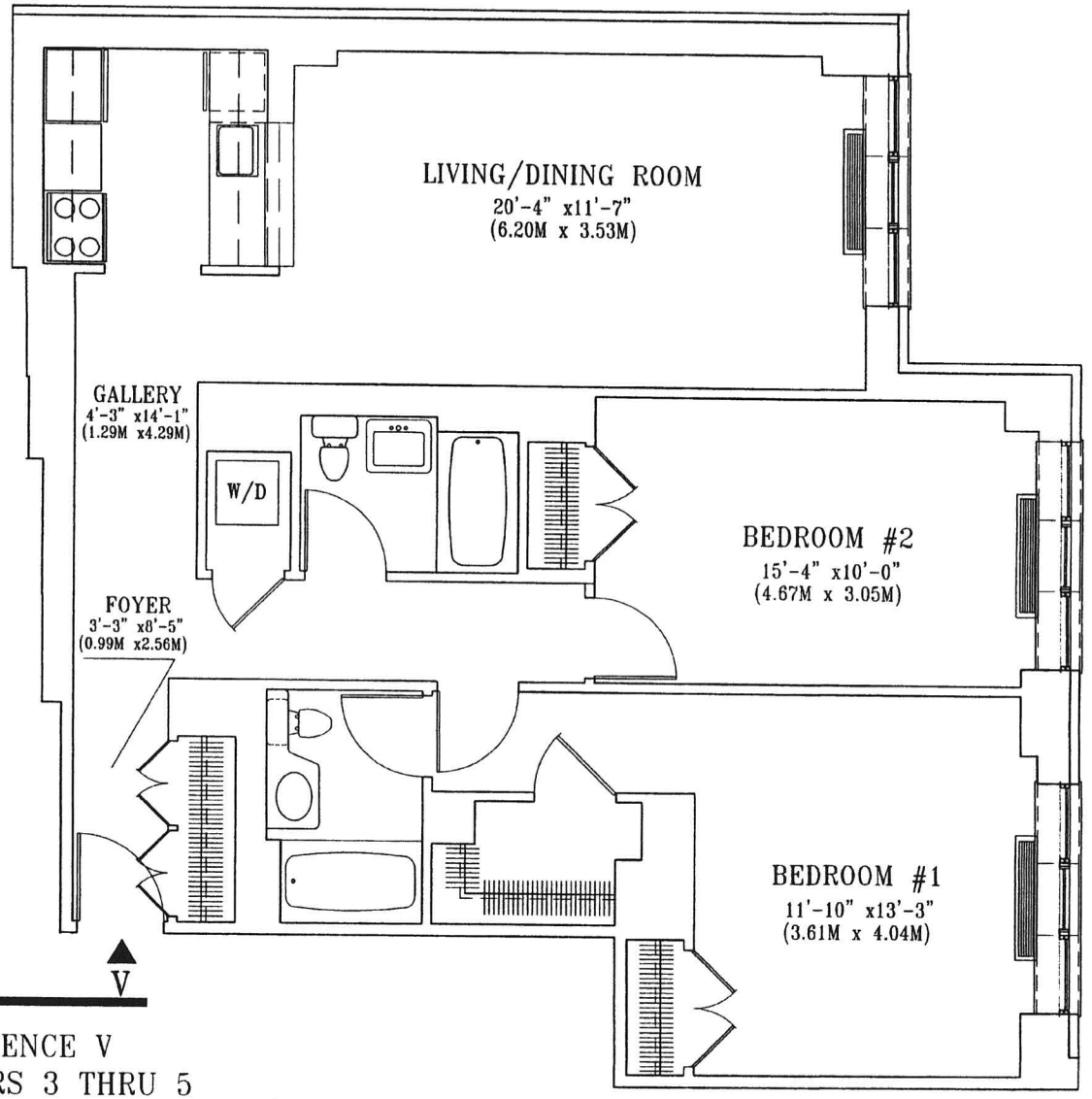
RESIDENCE U
FLOORS 3 THRU 5

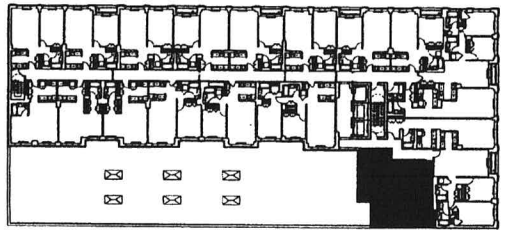
2 BEDROOMS
2 BATHS
AREA = 1,130 SF
105.02 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-31





RESIDENCE V
FLOORS 3 THRU 5

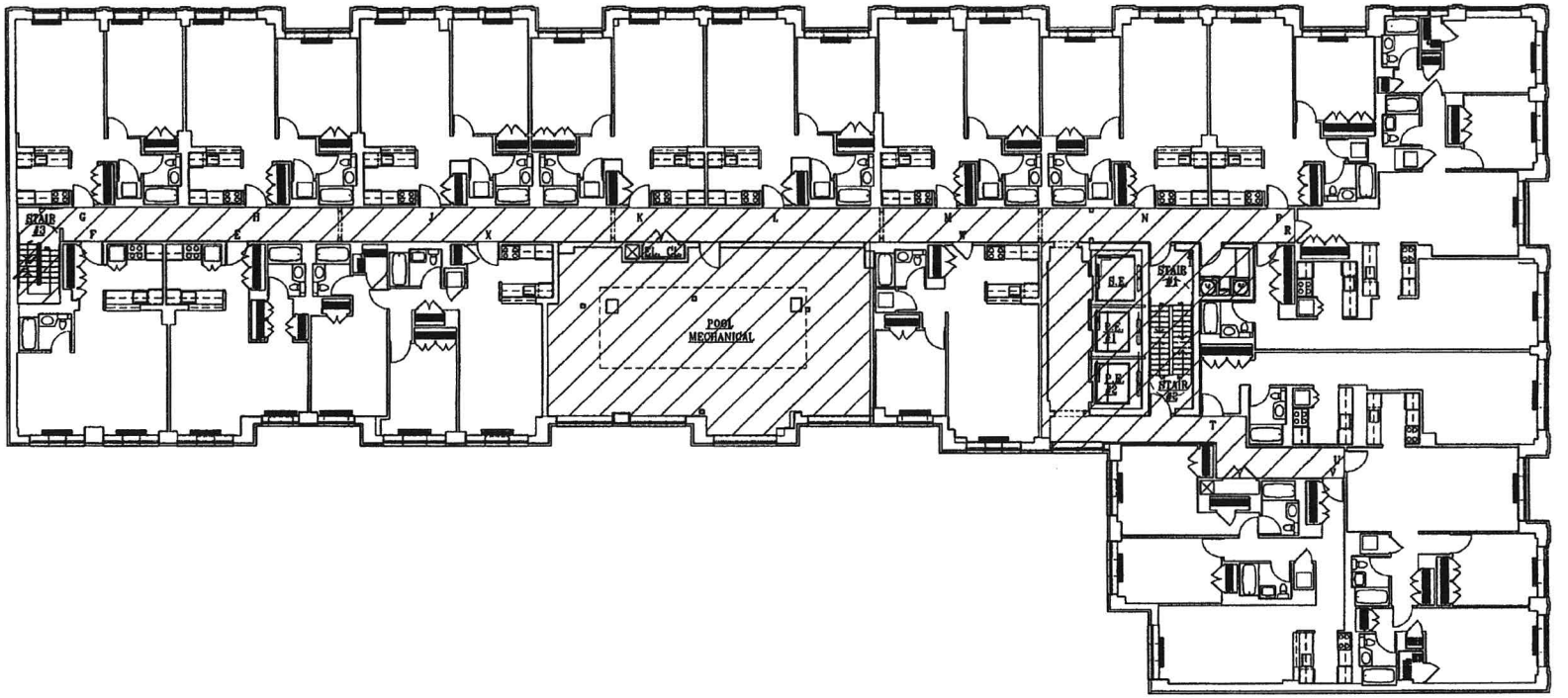
2 BEDROOMS
2 BATHS
AREA = 1,136 SF
105.58 SM

NORTH

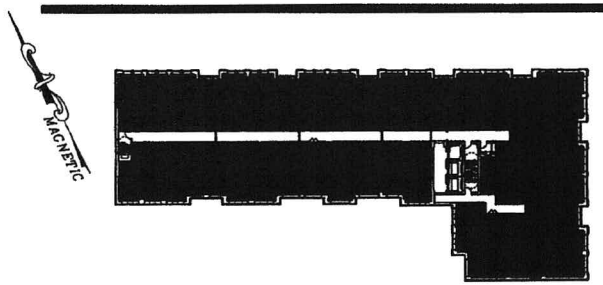
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-32

EAST 82ND STREET



FIRST AVENUE



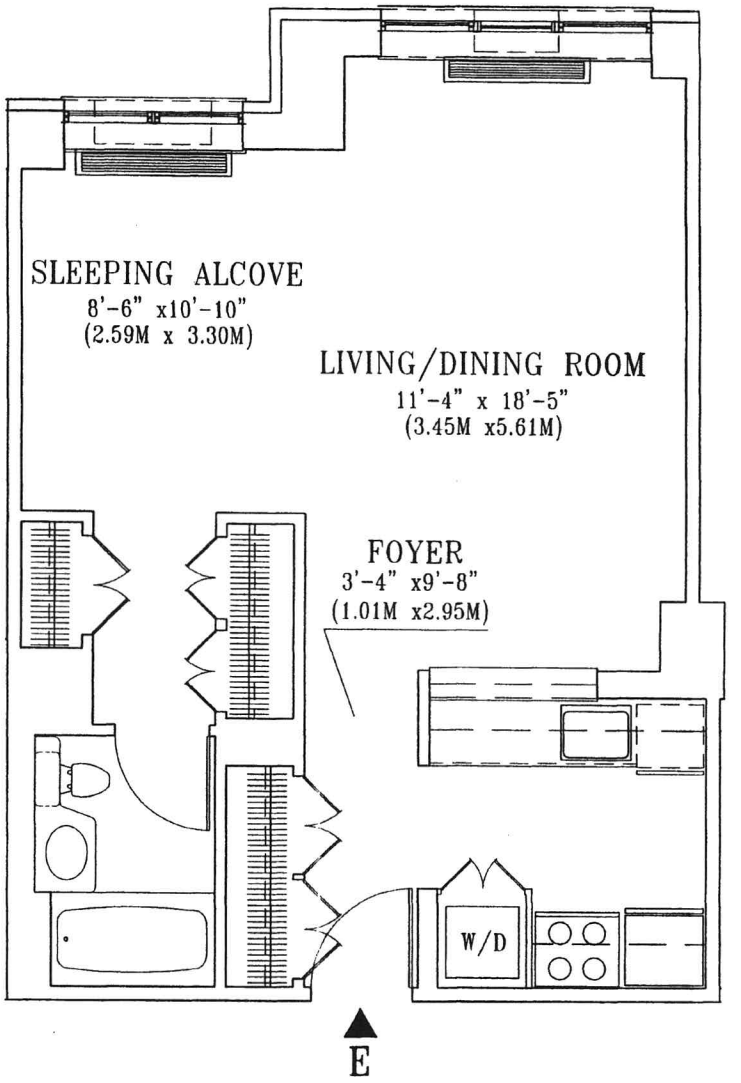
SIXTH FLOOR

RESIDENTIAL UNITS

RESIDENTIAL COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-33



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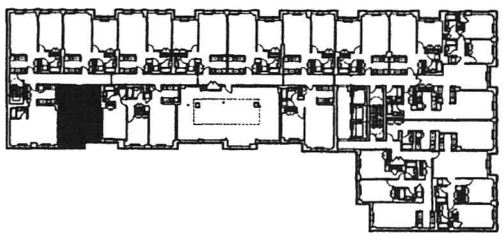


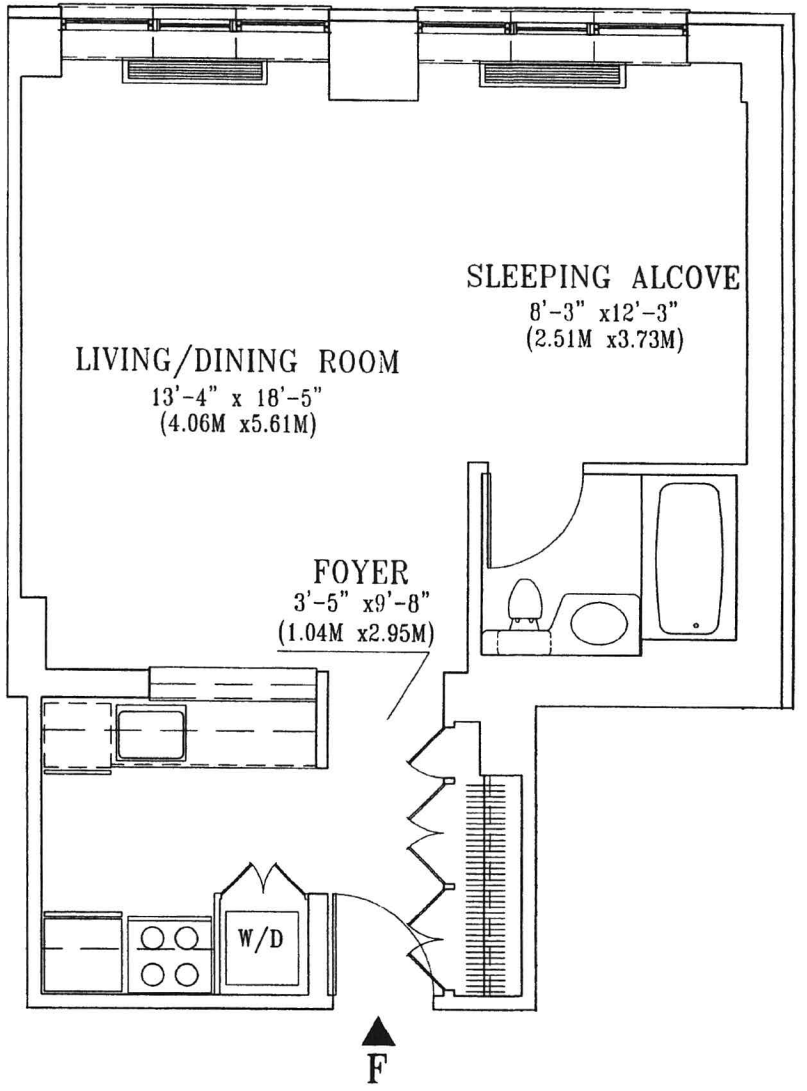
RESIDENCE E
FLOOR 6

0 BEDROOM
1 BATH
AREA = 586 SF
54.46 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-34



SCALE:
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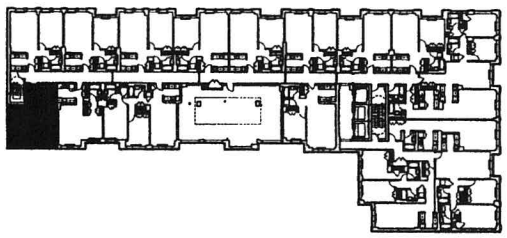


RESIDENCE F
FLOOR 6

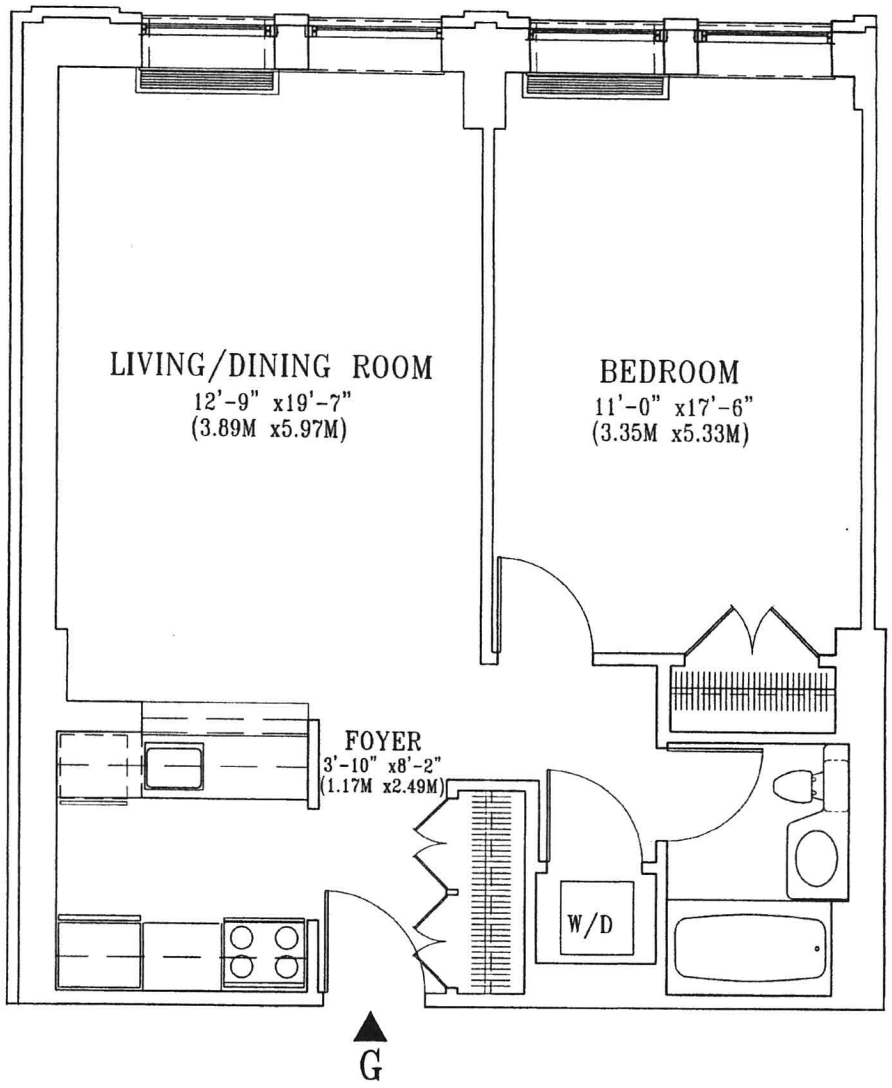
0 BEDROOM
1 BATH

AREA = 612 SF
56.88 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-35



SCALE:
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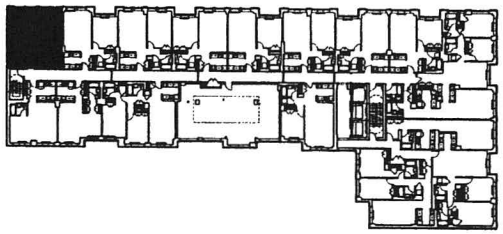


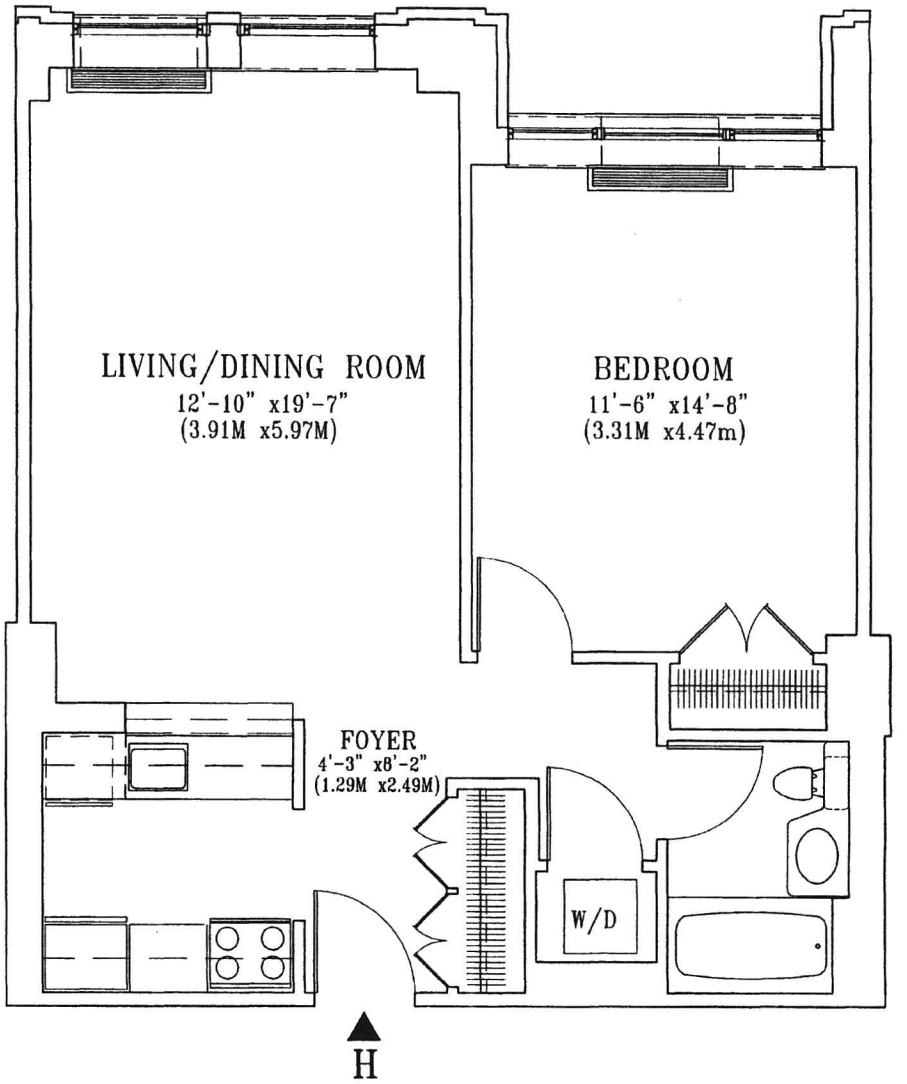
RESIDENCE G
FLOOR 6

1 BEDROOM
1 BATH
AREA = 748 SF
69.52 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-36



SCALE:
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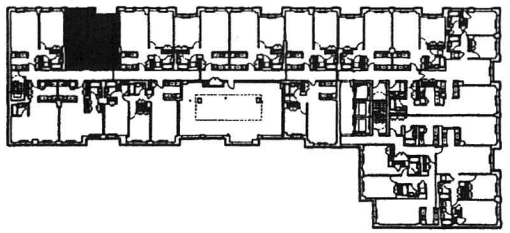


RESIDENCE H
FLOOR 6

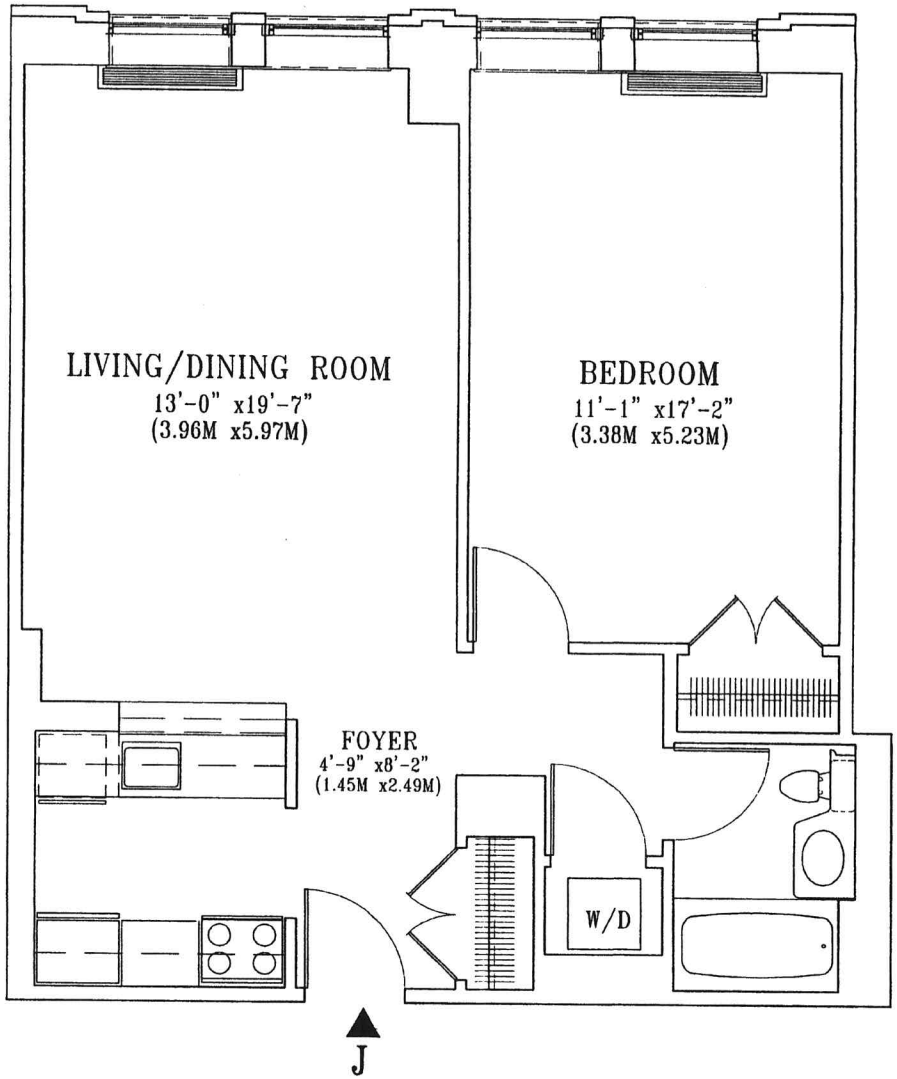
1 BEDROOM
1 BATH

AREA = 715 SF
66.45 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-37



SCALE:
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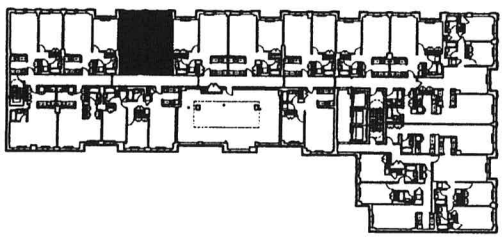


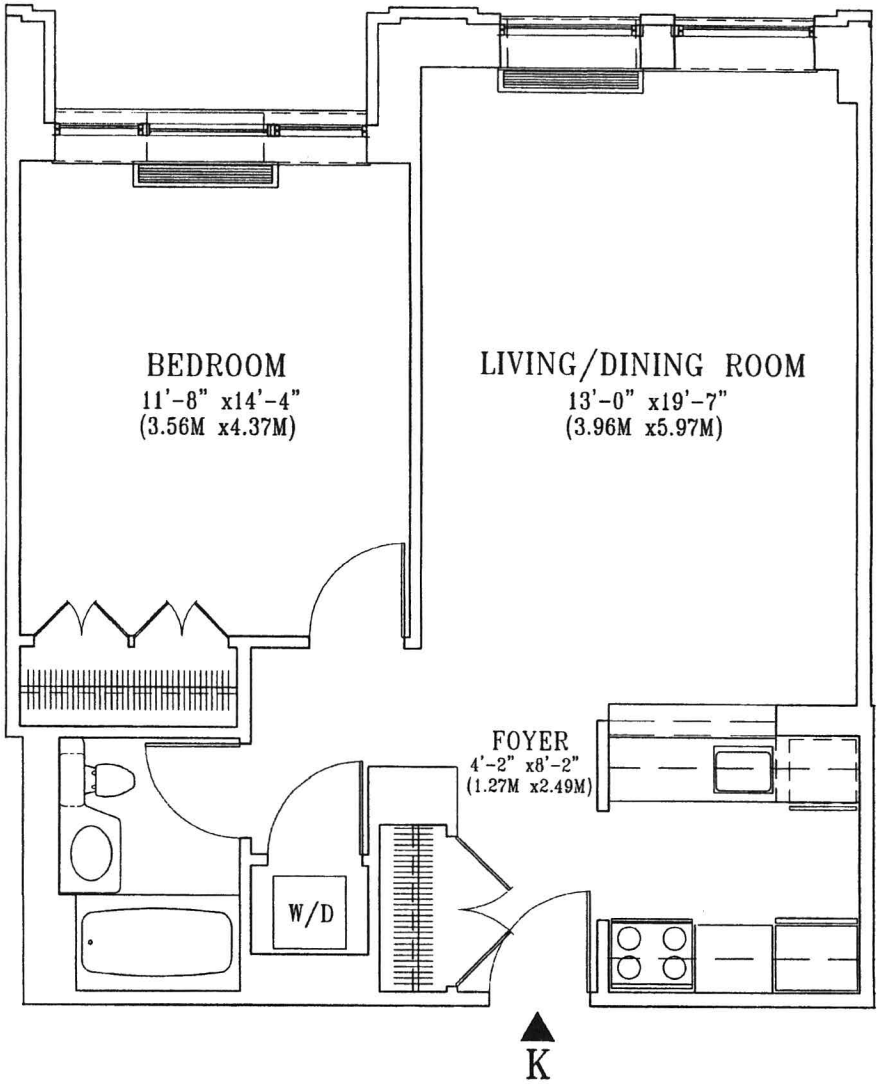
RESIDENCE J
FLOOR 6

1 BEDROOM
1 BATH
AREA = 737 SF
68.49 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-38



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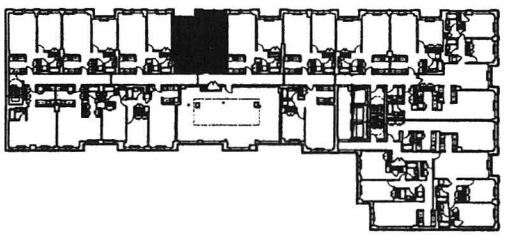


RESIDENCE K
FLOOR 6

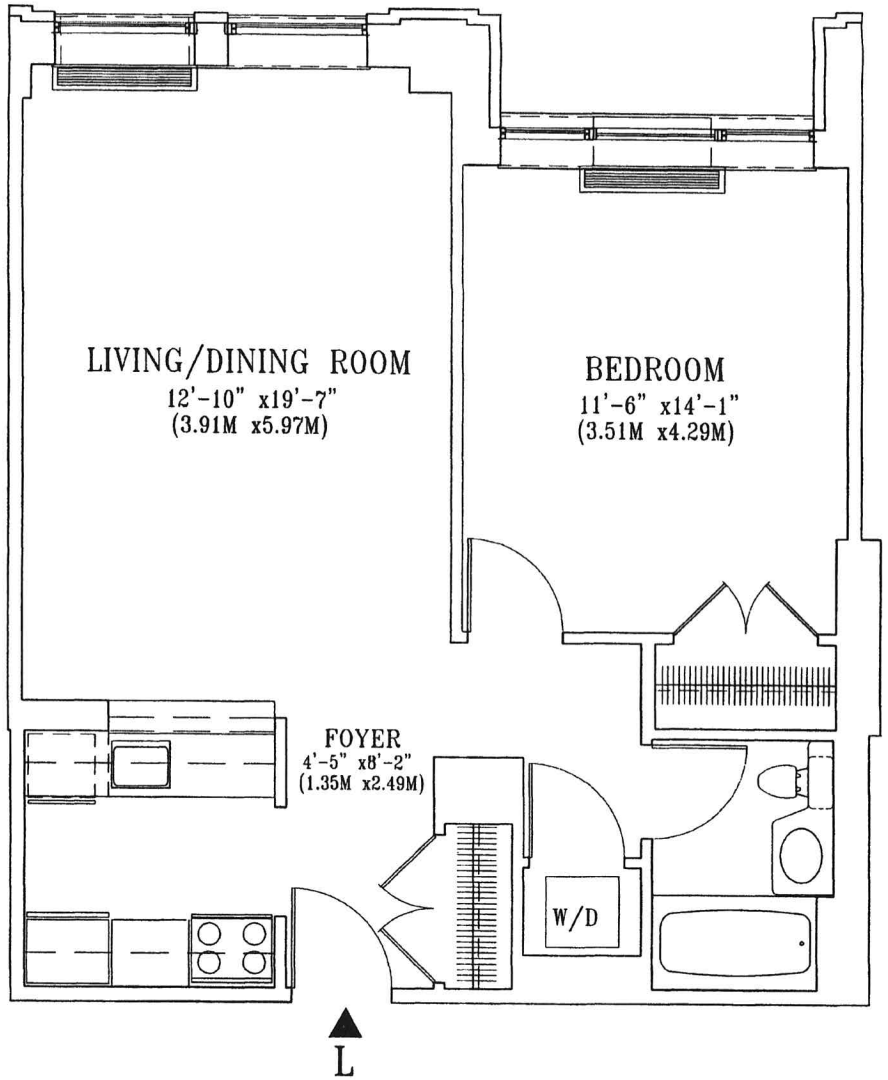
1 BEDROOM
1 BATH

AREA = 718 SF
66.73 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-39



SCALE:
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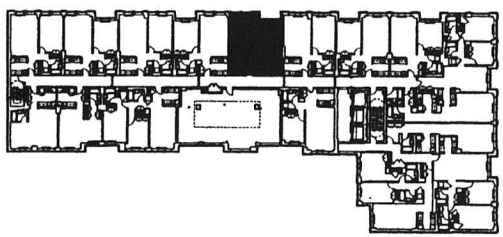


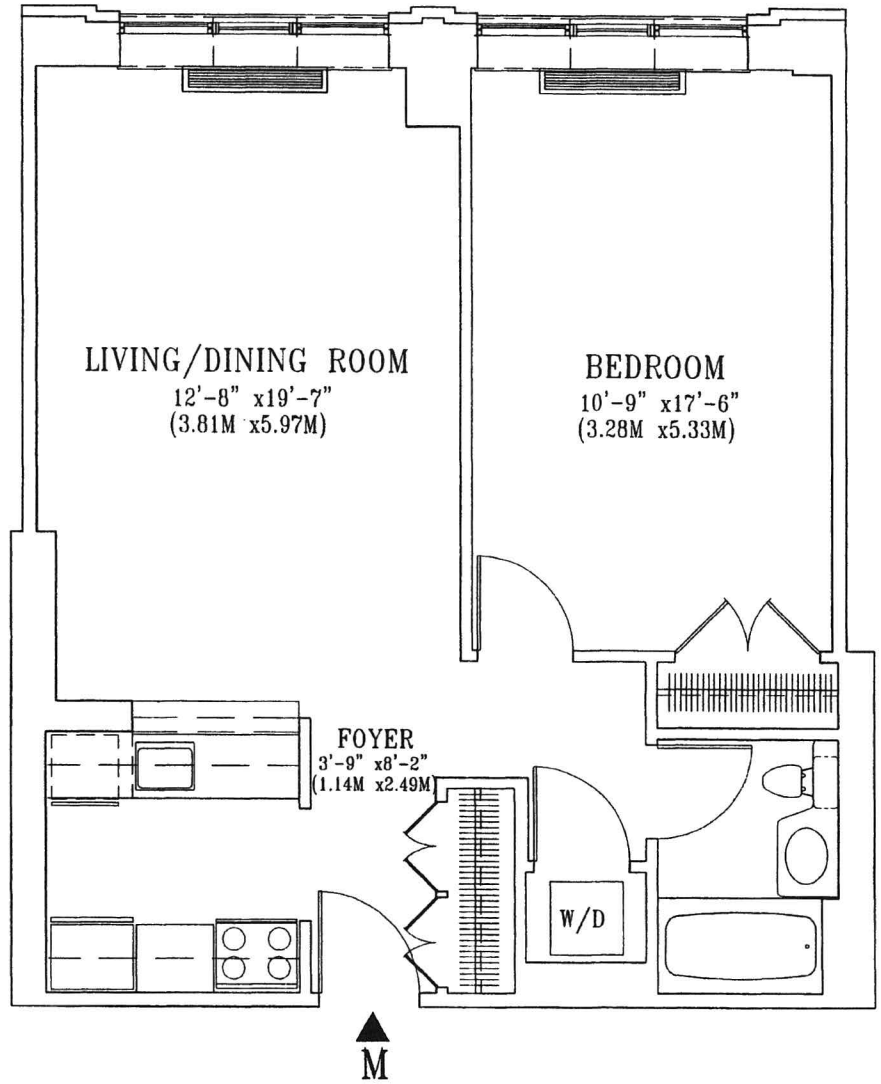
RESIDENCE L
FLOOR 6

1 BEDROOM
1 BATH
AREA = 716 SF
66.54 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-40



SCALE:
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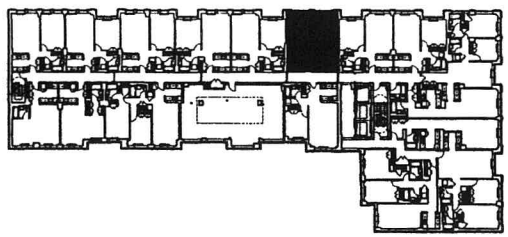


RESIDENCE M
FLOOR 6

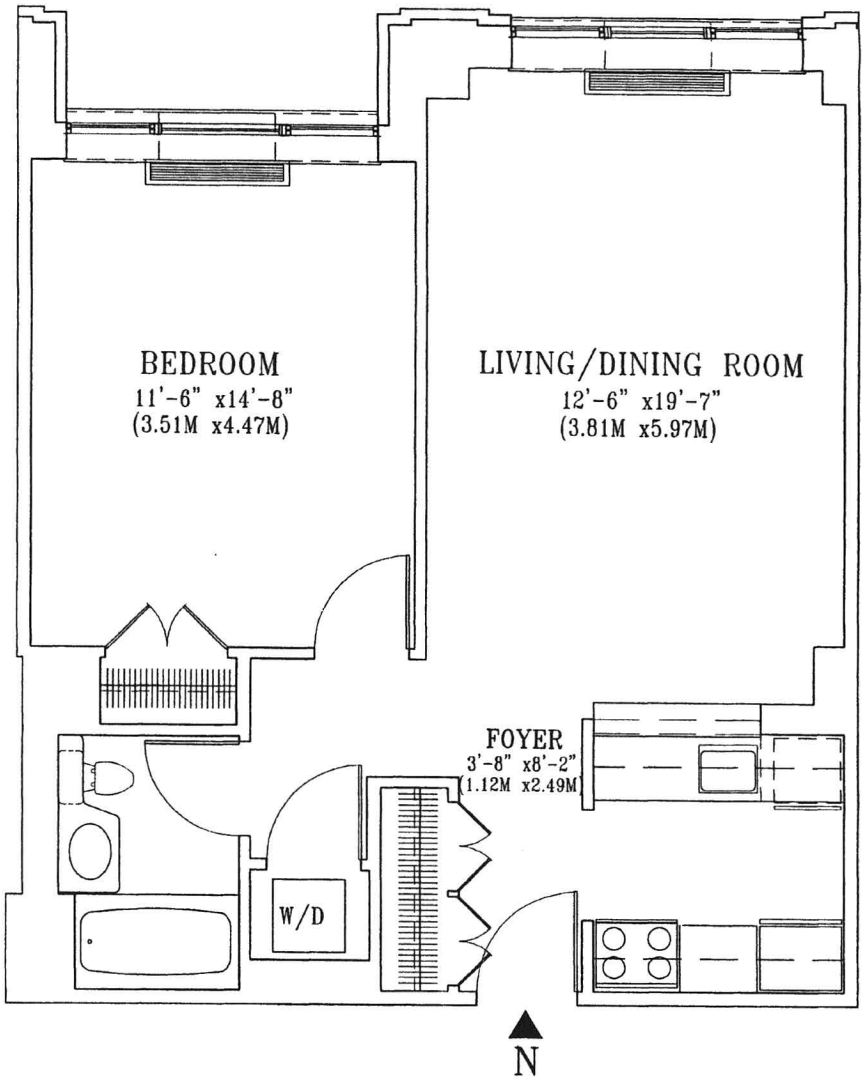
1 BEDROOM
1 BATH

AREA = 716 SF
66.54 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-41



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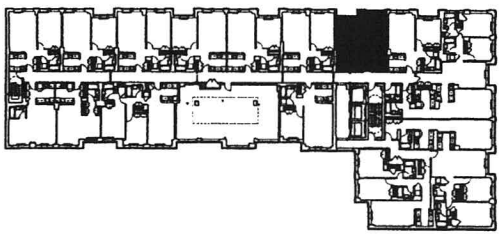


RESIDENCE N
FLOOR 6

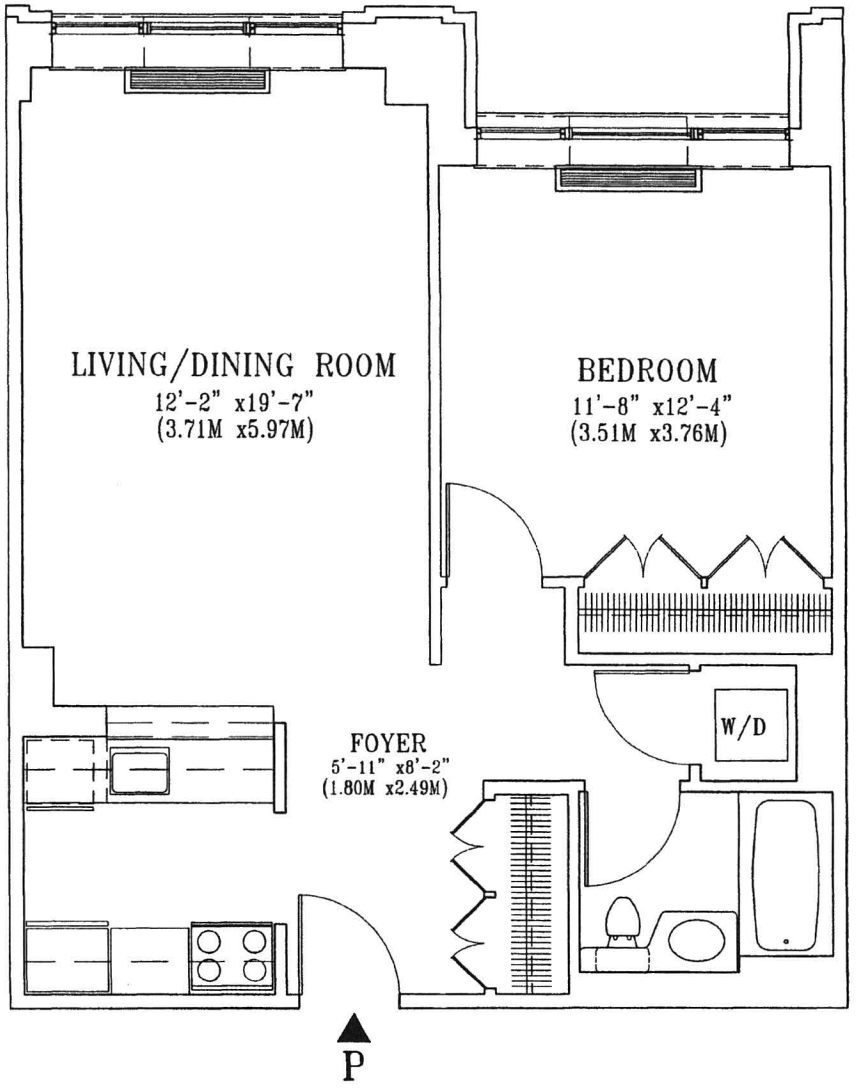
1 BEDROOM
1 BATH

AREA = 700 SF
65.06 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-42



SCALE:
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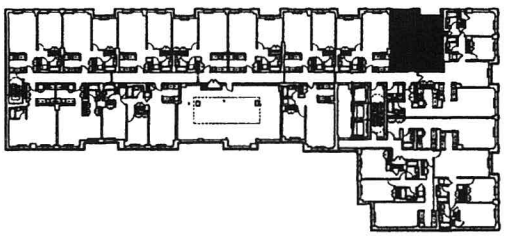


RESIDENCE P
FLOOR 6

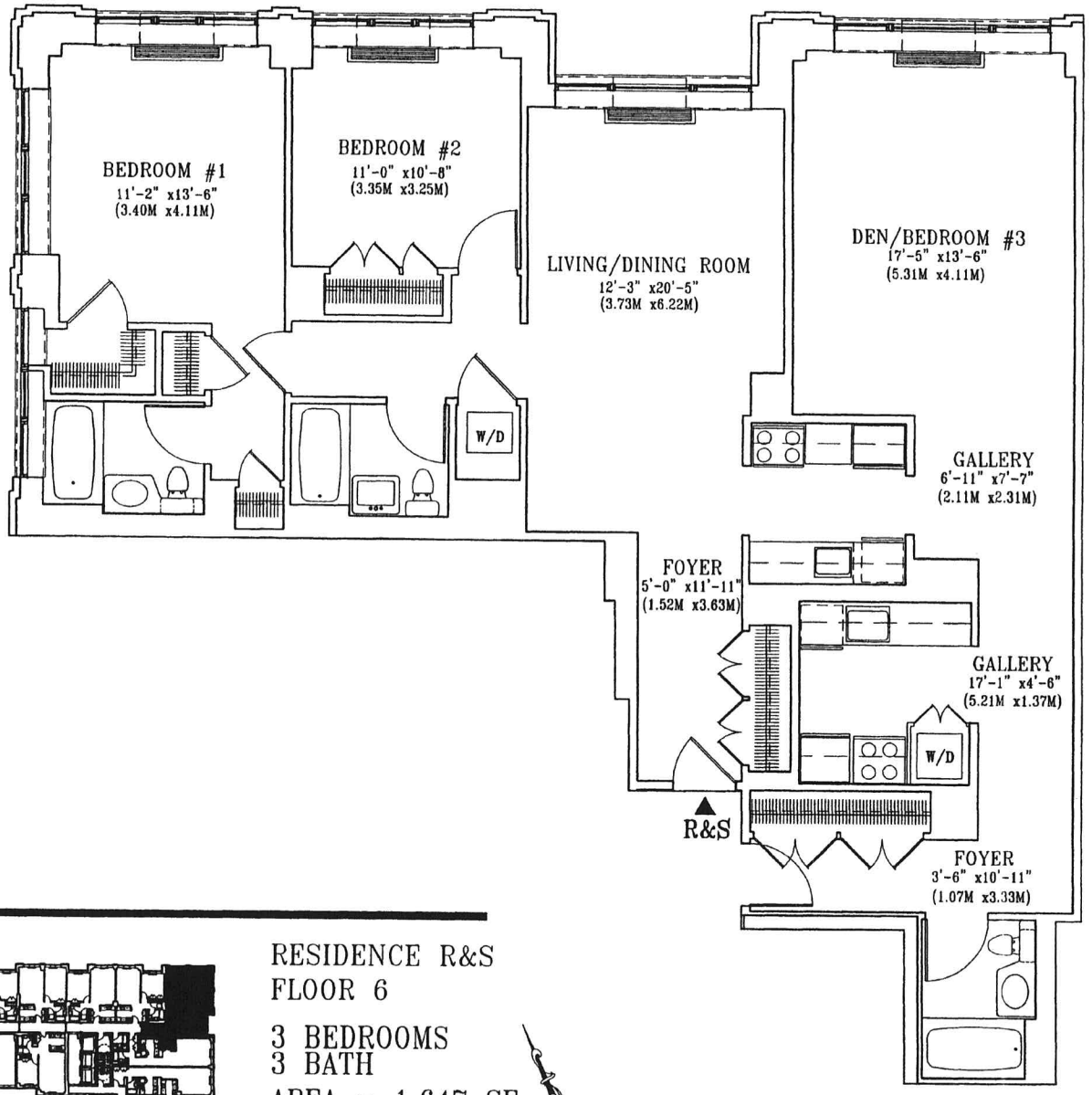
1 BEDROOM
1 BATH

AREA = 700 SF
65.06 SM

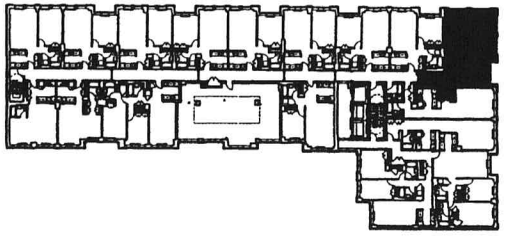
NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-43



SCALE:



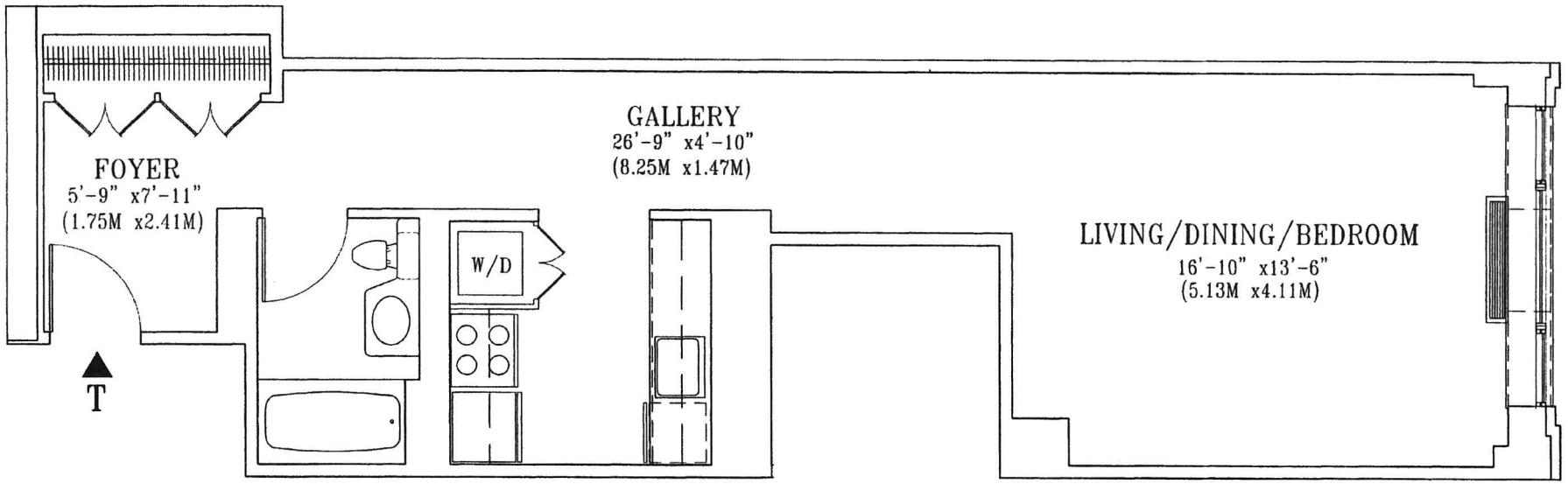
RESIDENCE R&S
FLOOR 6

3 BEDROOMS
3 BATH
AREA = 1,647 SF
153.07 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-44 & A-45



SCALE:
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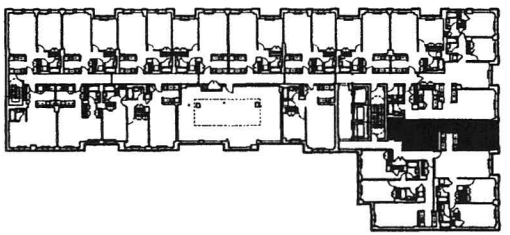


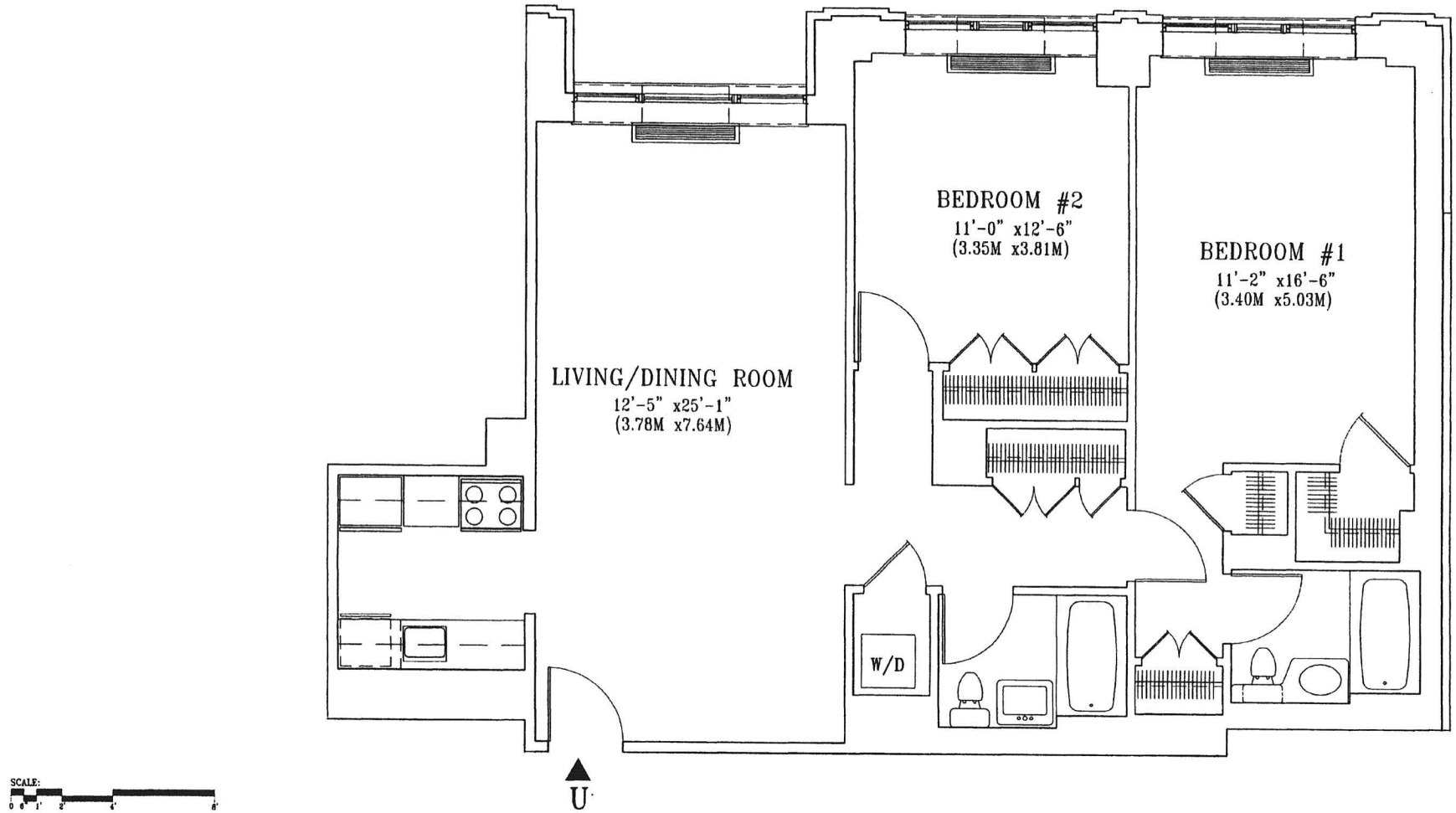
RESIDENCE T
FLOOR 6

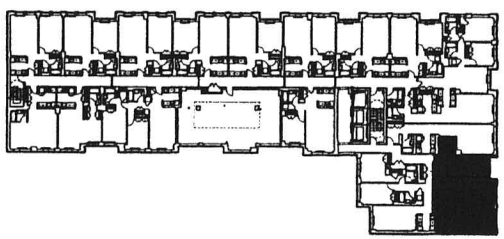
0 BEDROOM
1 BATH
AREA = 620 SF
57.62 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-46





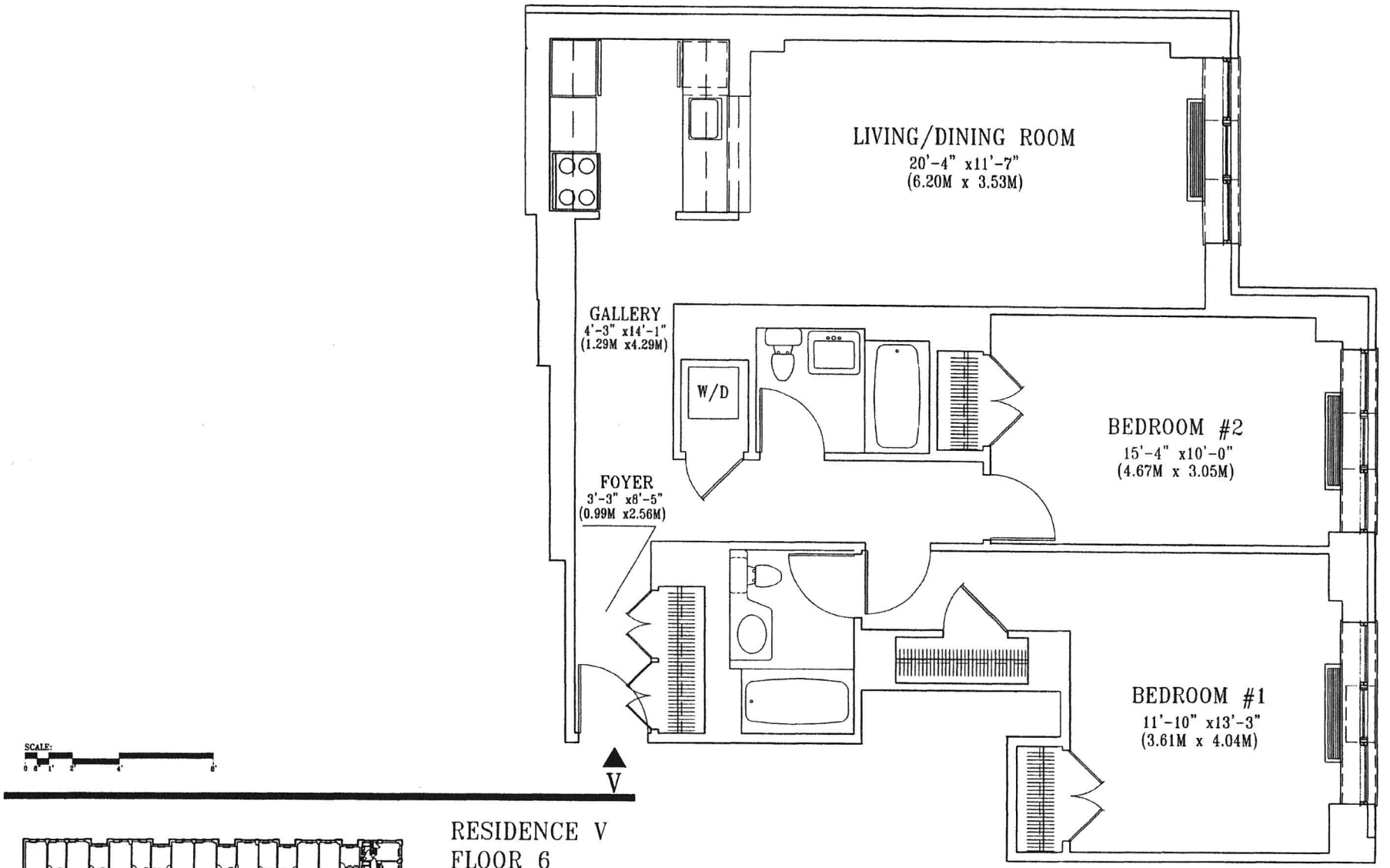
RESIDENCE U
FLOOR 6

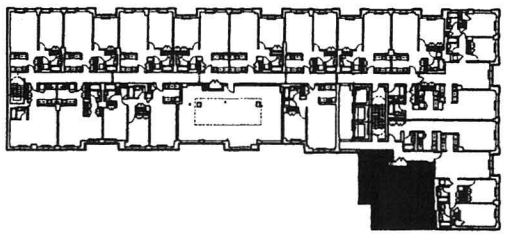
2 BEDROOMS
2 BATHS
AREA = 1,130 SF
105.02 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-47





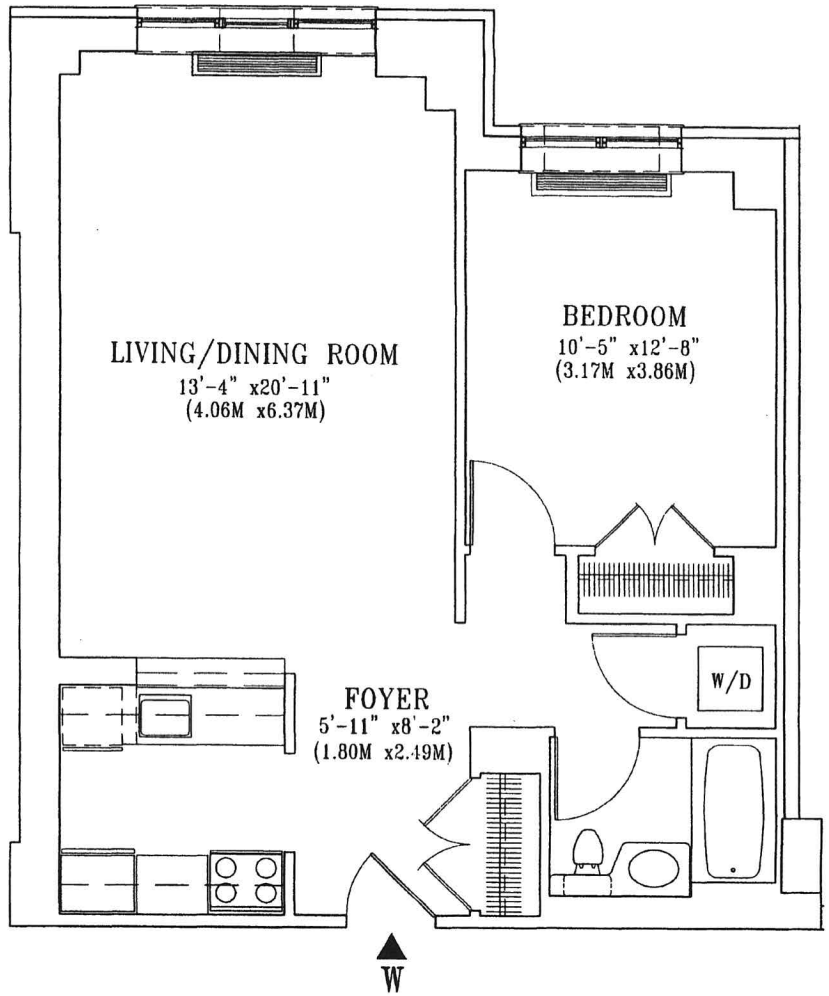
RESIDENCE V
FLOOR 6

2 BEDROOMS
2 BATHS
AREA = 1,123 SF
104.37 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-48



SCALE:
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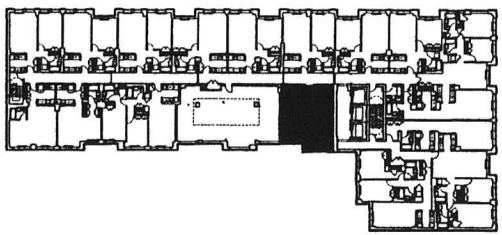


RESIDENCE W
FLOOR 6

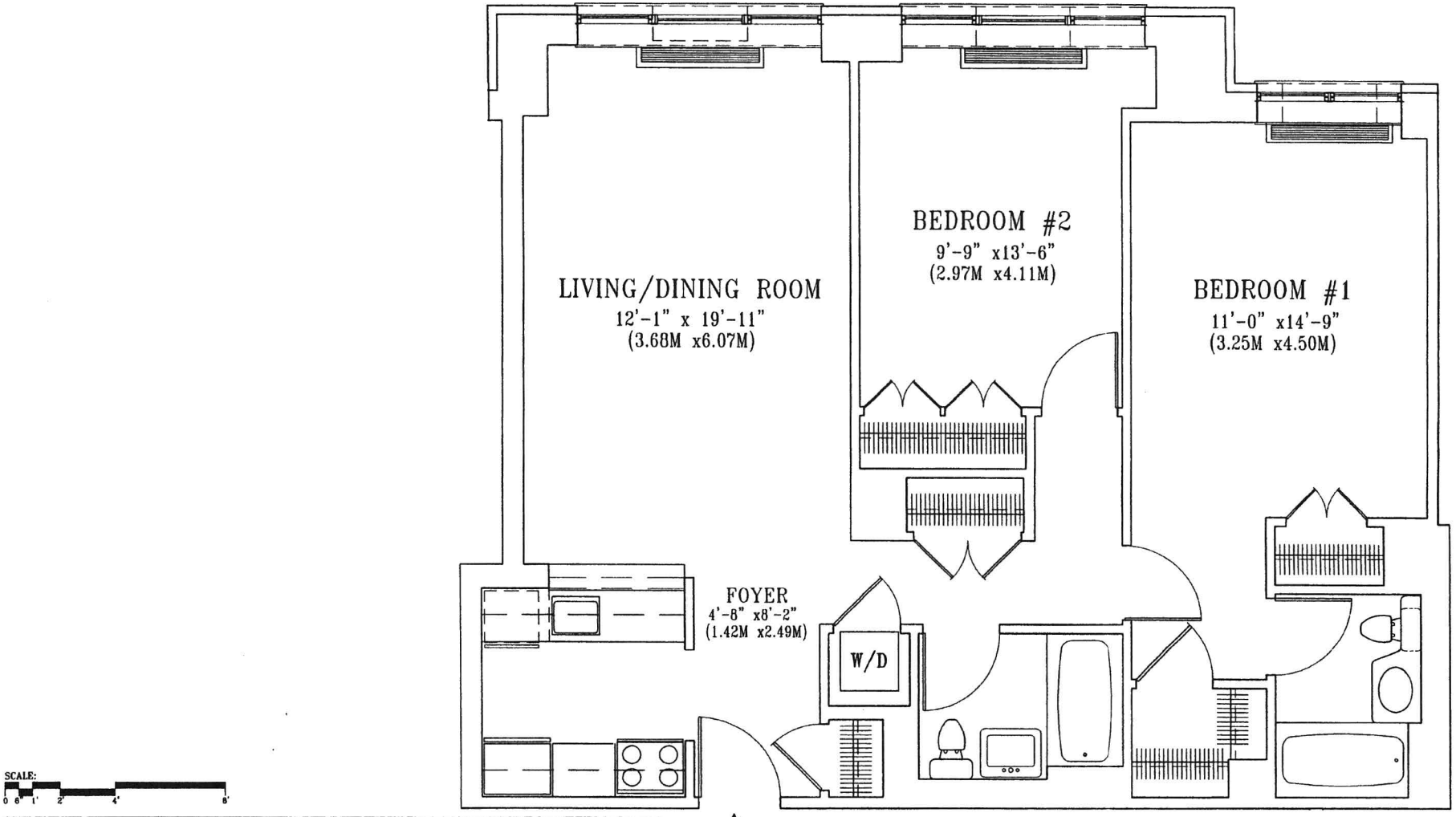
1 BEDROOM
1 BATH

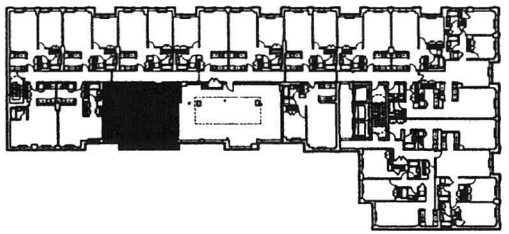
AREA = 722 SF
67.10 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-49



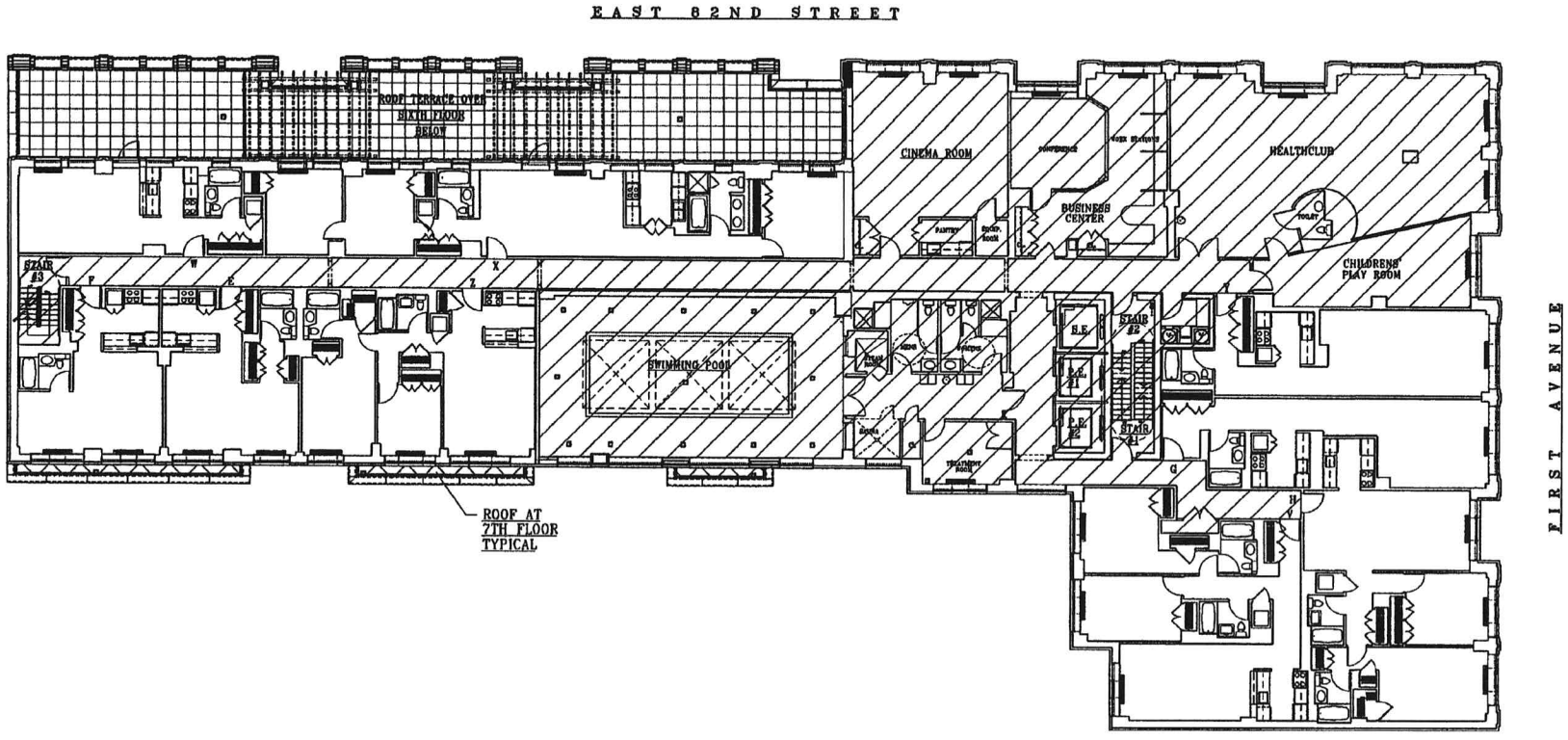


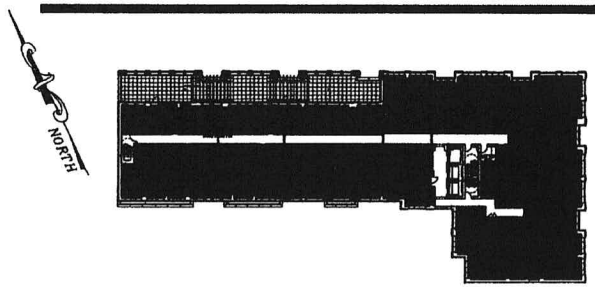
RESIDENCE X
FLOOR 6

2 BEDROOMS
2 BATHS
AREA = 1,010 SF
93.87 SM

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-50



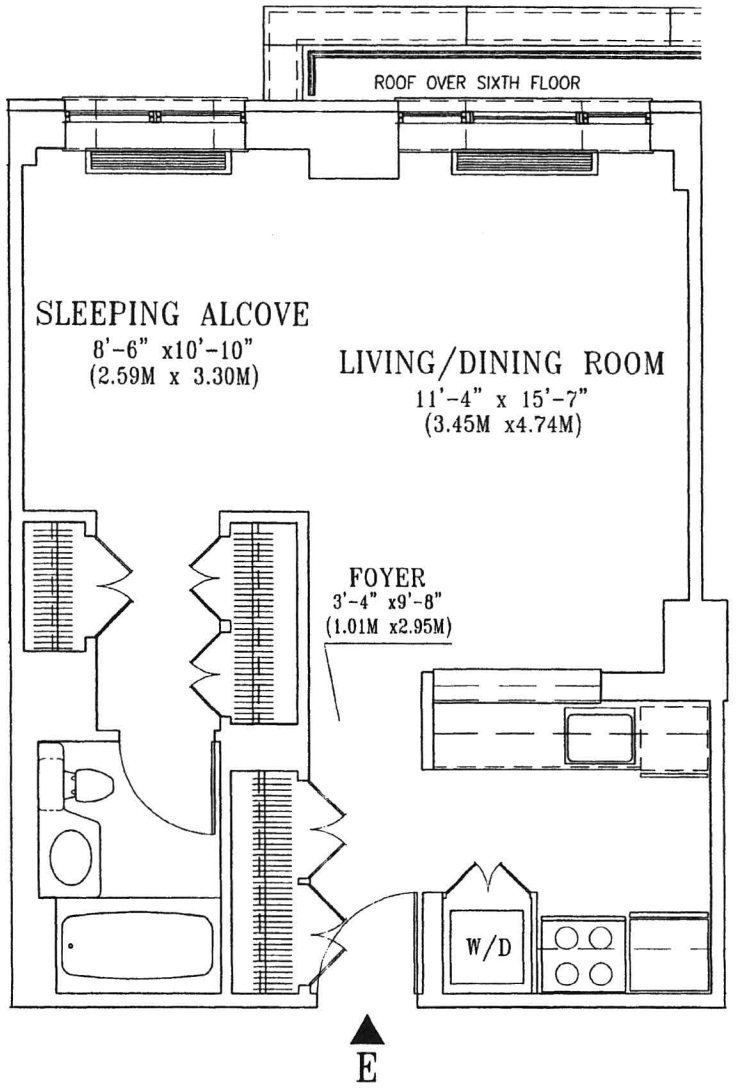


SEVENTH FLOOR

- RESIDENTIAL UNITS
- GENERAL COMMON ELEMENTS
- RESIDENTIAL COMMON ELEMENTS
- RESIDENTIAL LIMITED COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-51



SCALE:
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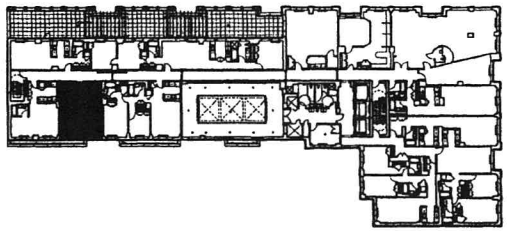


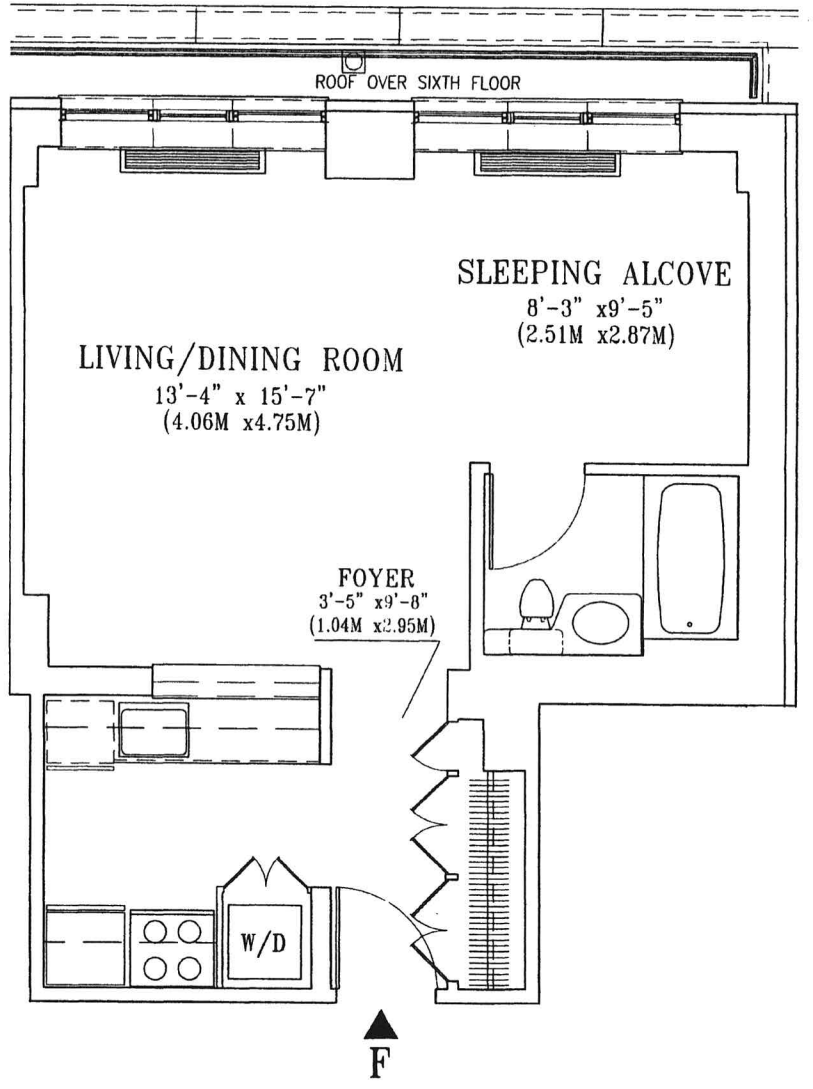
RESIDENCE E
FLOOR 7

0 BEDROOM
1 BATH
AREA = 551 SF
51.21 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-52



SCALE:
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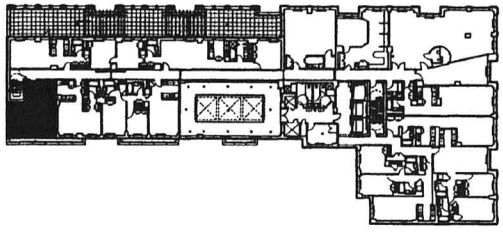


RESIDENCE F
FLOOR 7

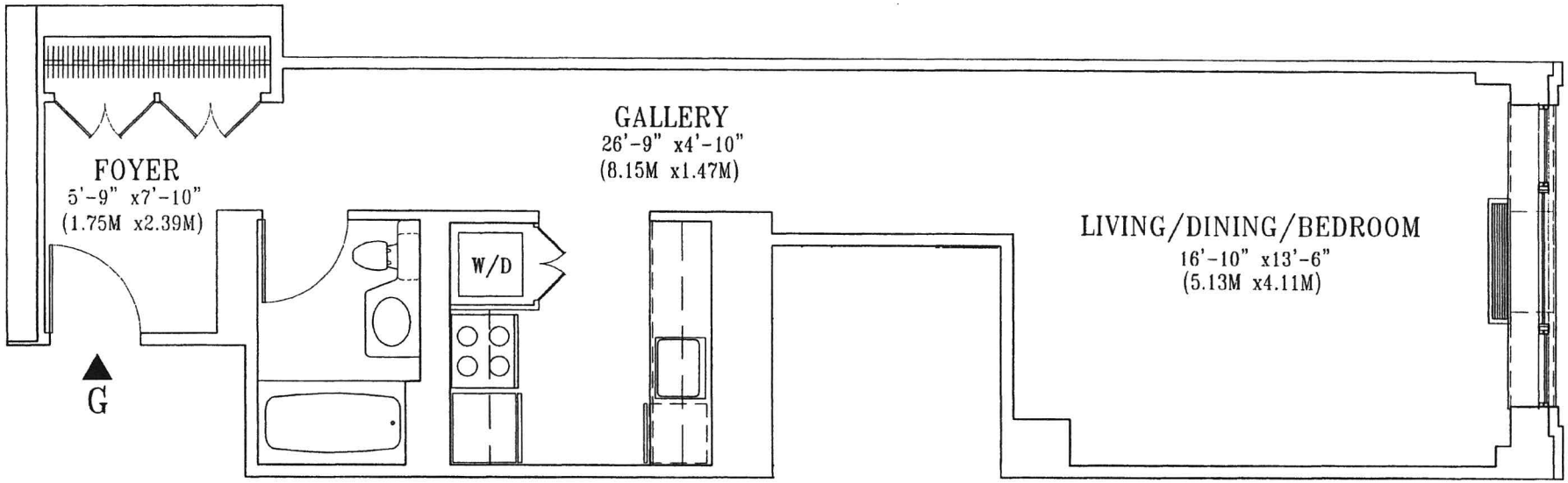
0 BEDROOM
1 BATH

AREA = 538 SF
50 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-53



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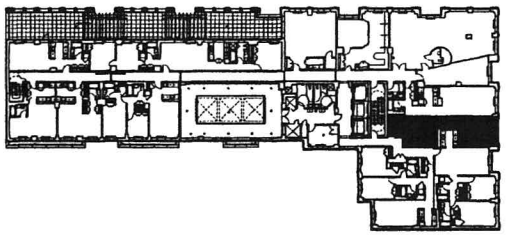


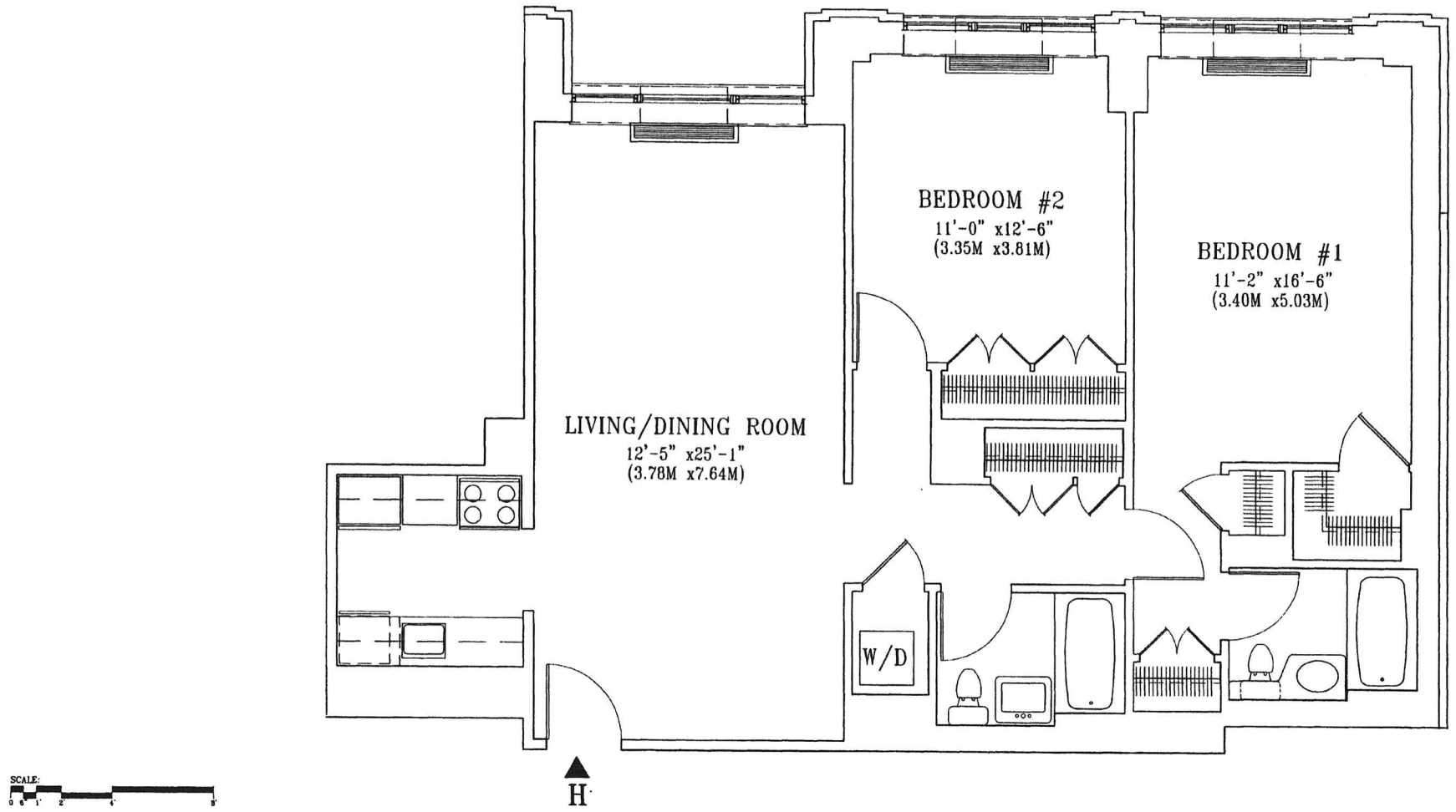
RESIDENCE G
FLOOR 7

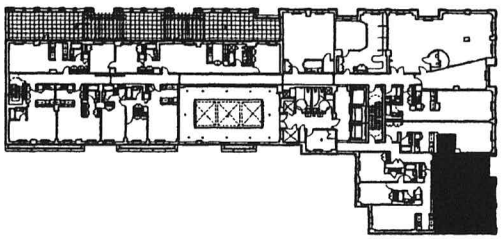
0 BEDROOM
1 BATH
AREA = 620 SF
57.62 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-54





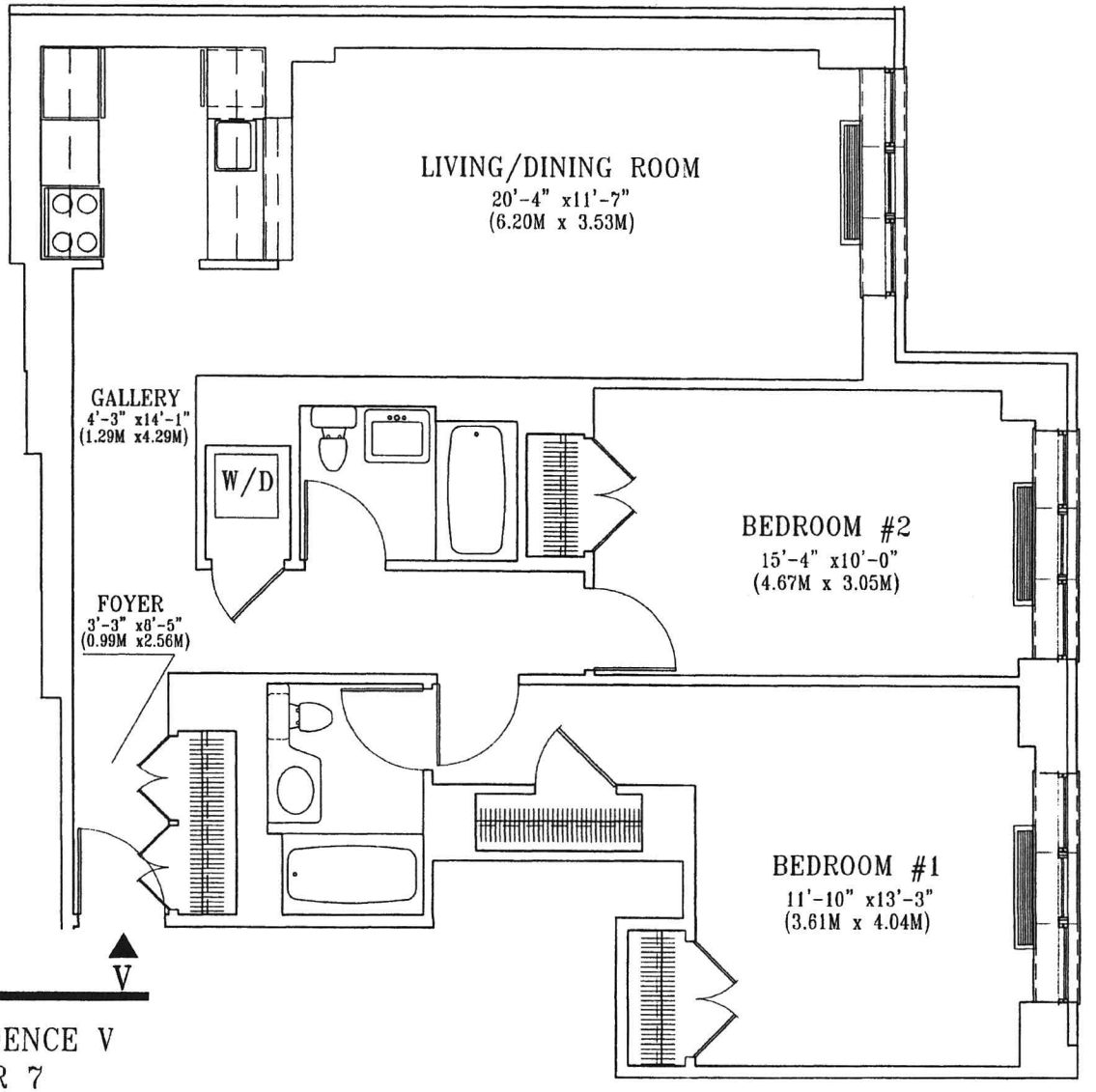
RESIDENCE H
FLOOR 7

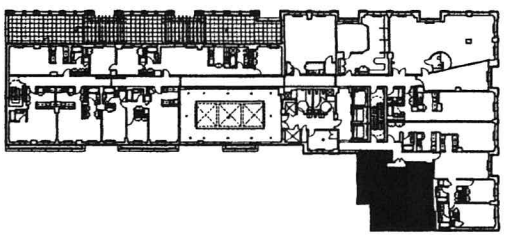
2 BEDROOMS
2 BATHS
AREA = 1,130 SF
105.02 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-55





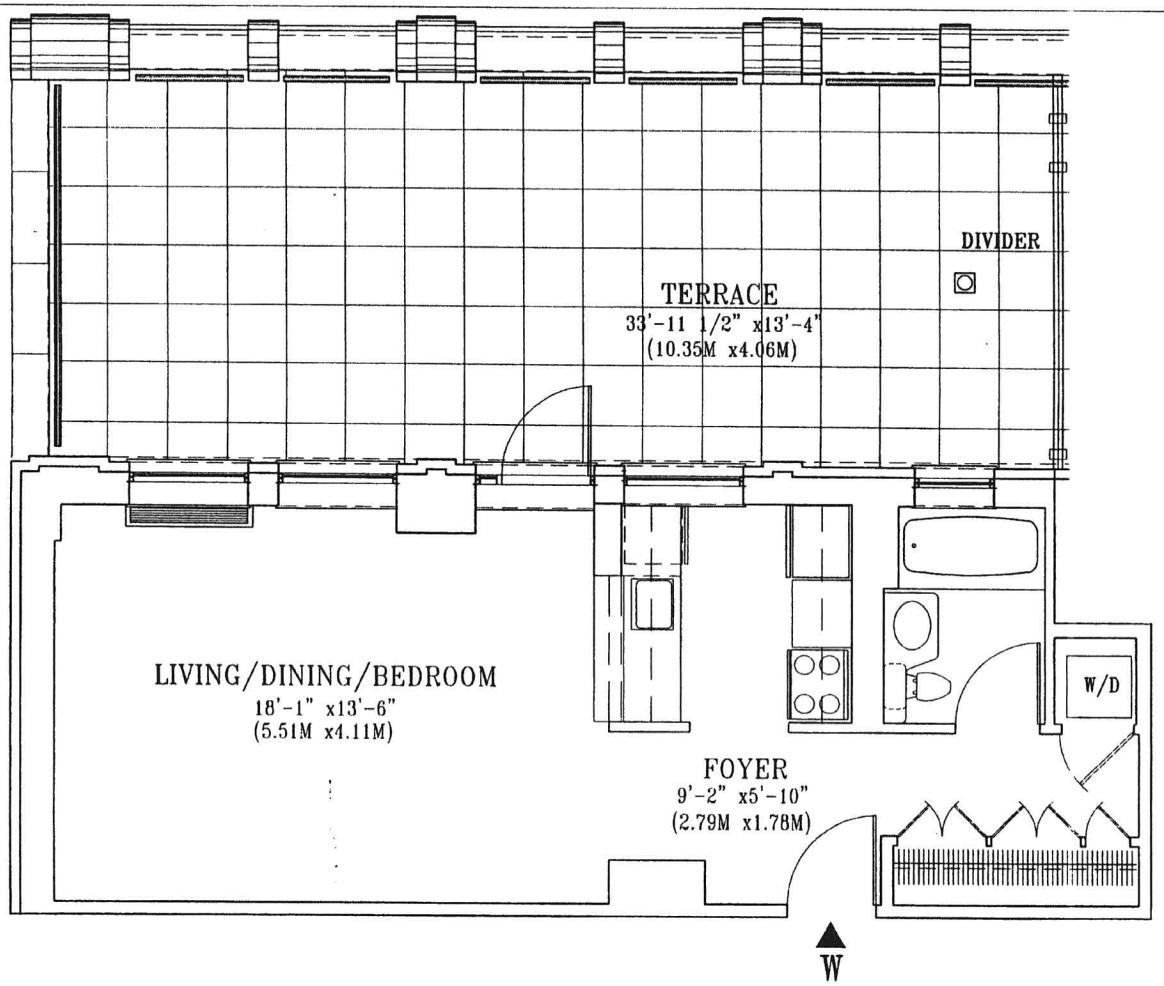
RESIDENCE V
FLOOR 7

2 BEDROOMS
2 BATHS
AREA = 1,123 SF
104.37 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-56



SCALE:
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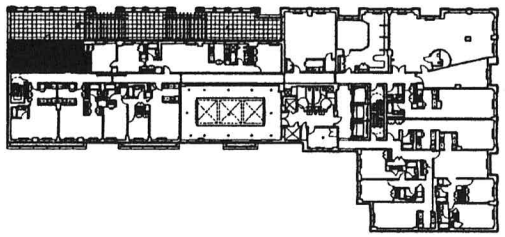


RESIDENCE W
FLOOR 7

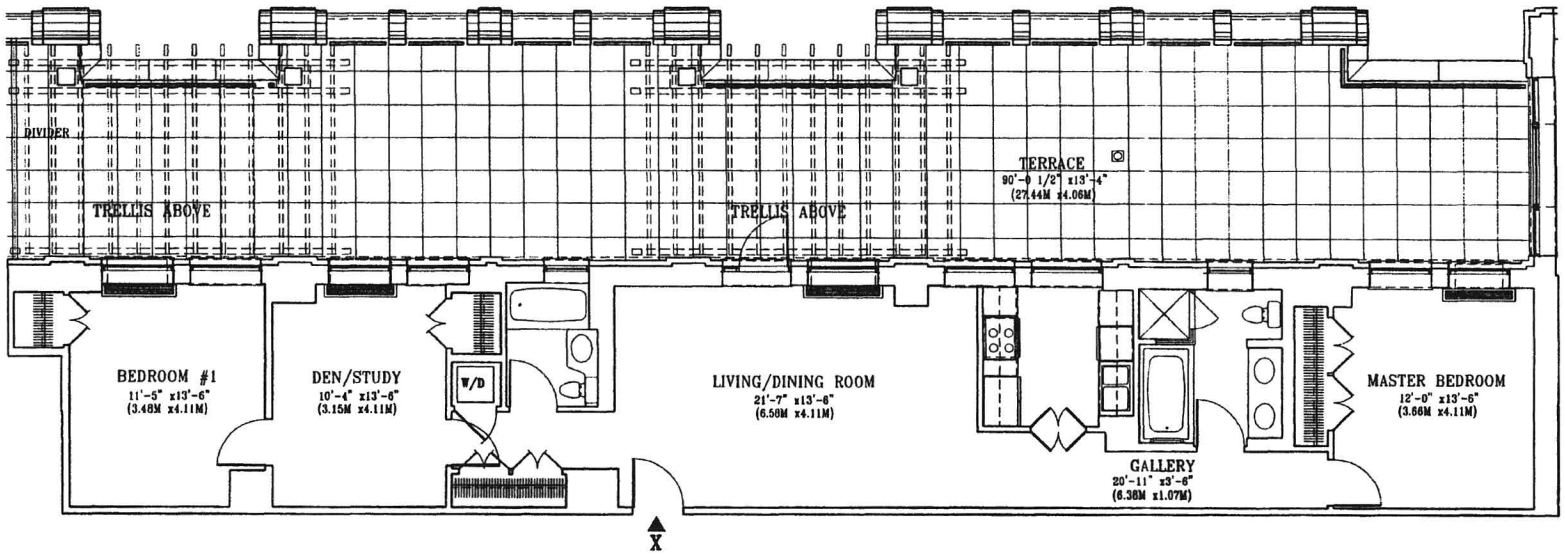
0 BEDROOM
1 BATH

APT. AREA = 561 SF - 52.14 SM
TERRACE = 448 SF - 41.64 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-57



SCALE:
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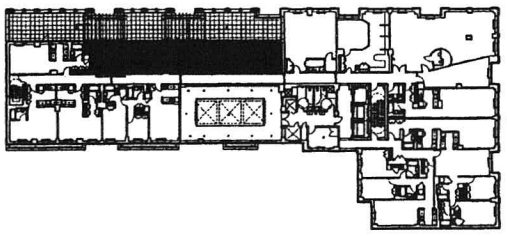


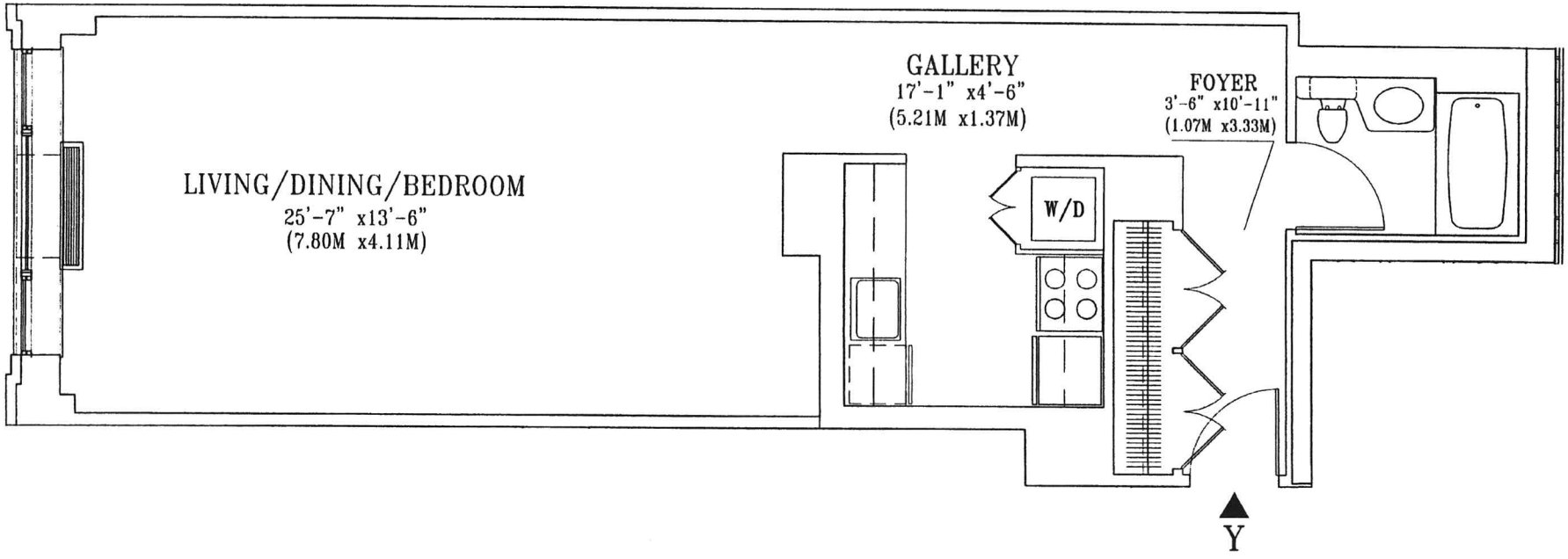
RESIDENCE X
FLOOR 7

2 BEDROOMS
1 DEN/STUDY
2 BATHS

APT. AREA = 1,355 SF - 125.93 SM
TERRACE = 1,104 SF - 102.60 SM

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-58



SCALE:
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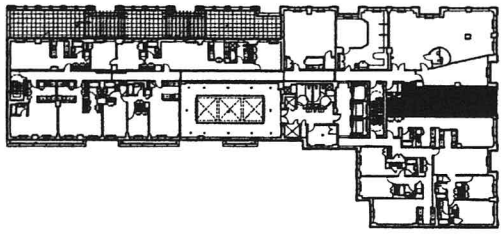


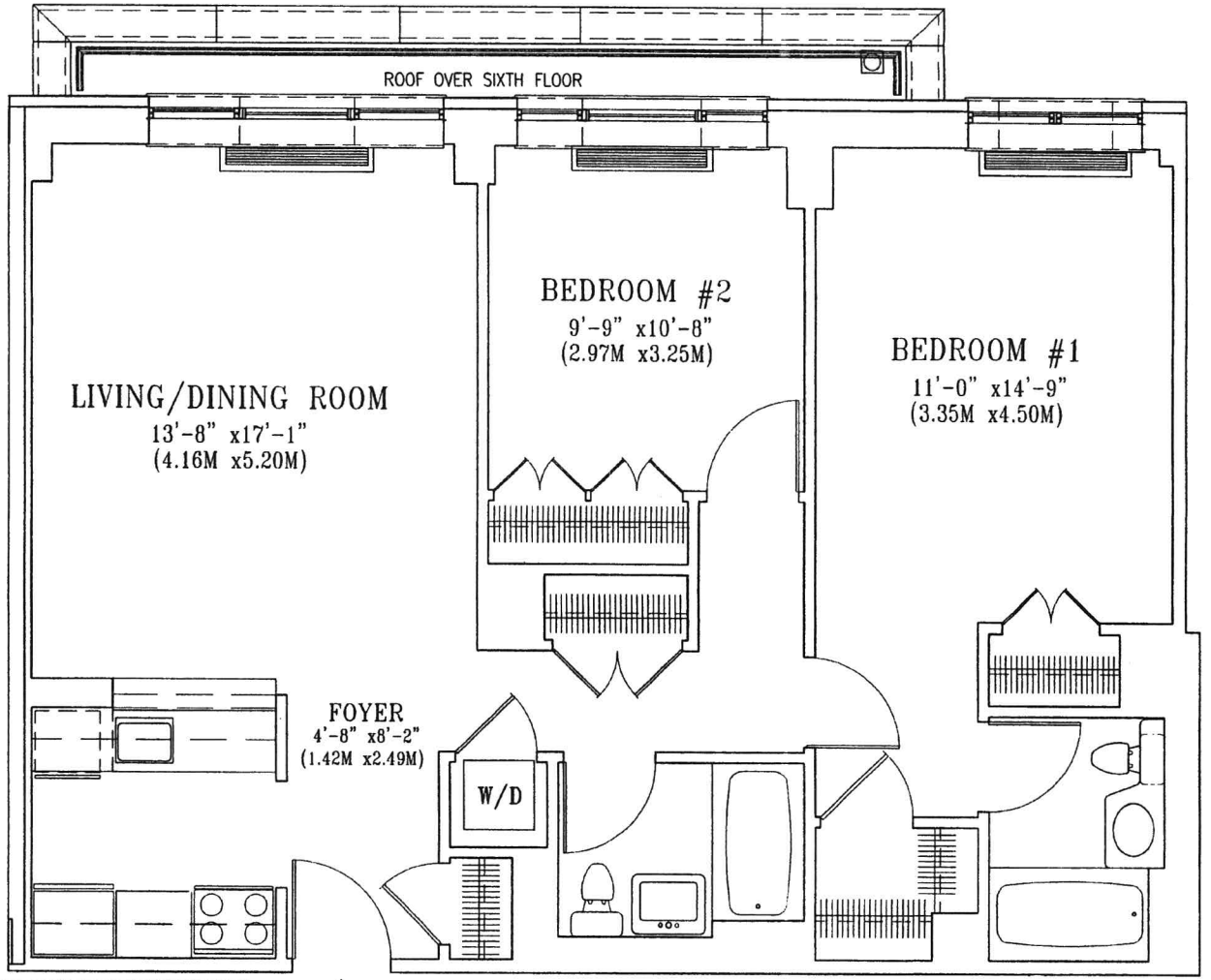
RESIDENCE Y
FLOOR 7

0 BEDROOM
1 BATH
AREA = 665 SF
61.80 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-59



SCALE:
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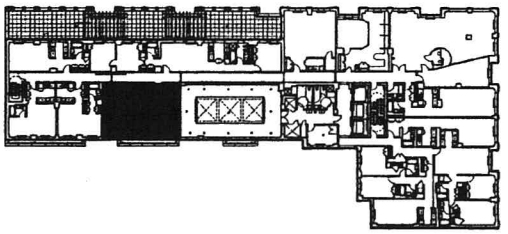


RESIDENCE Z
FLOOR 7

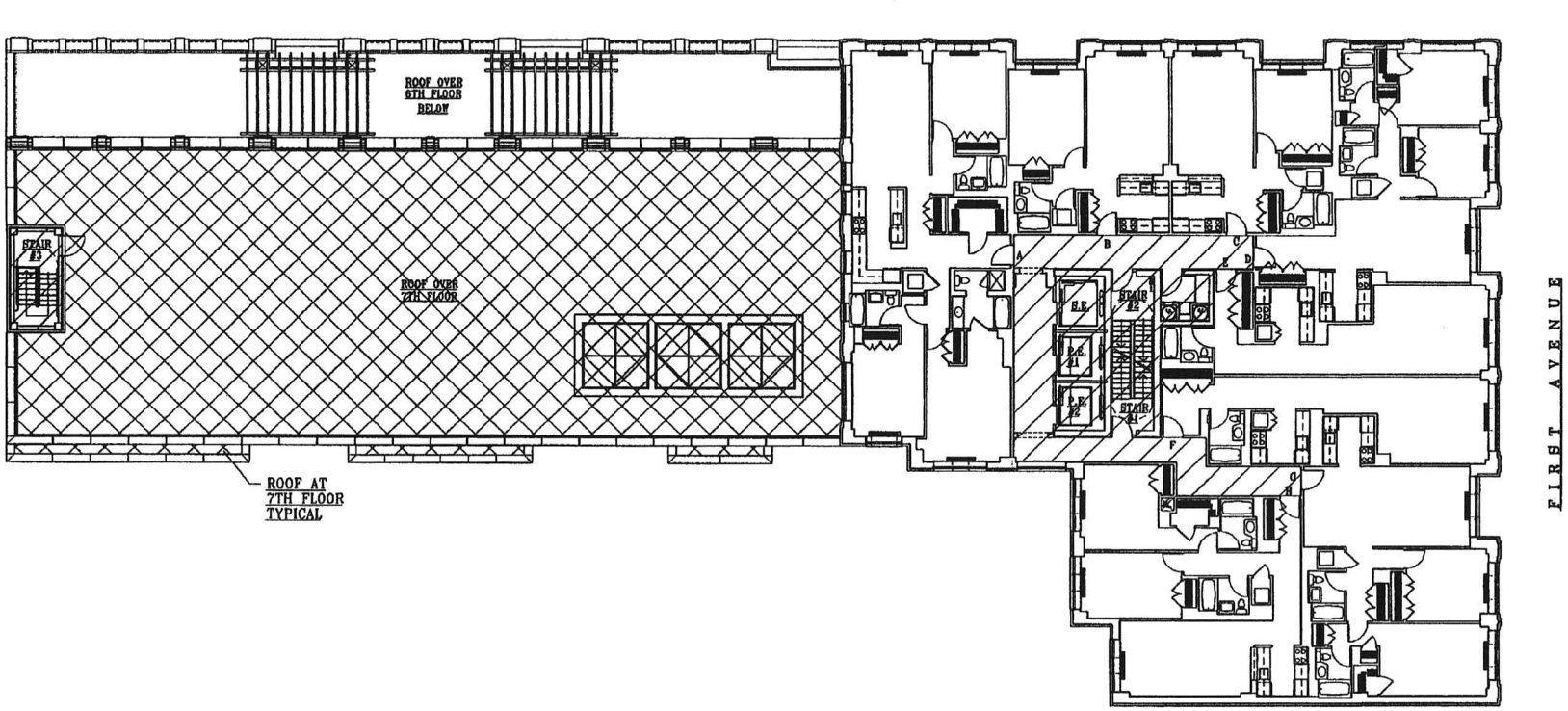
2 BEDROOMS
2 BATHs
AREA = 962 SF
89.41 SM

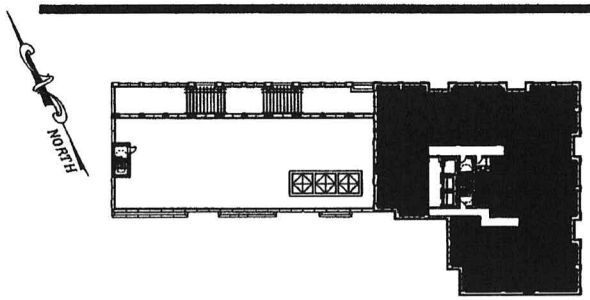
Z

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-60





EIGHTH THRU TENTH FLOORS

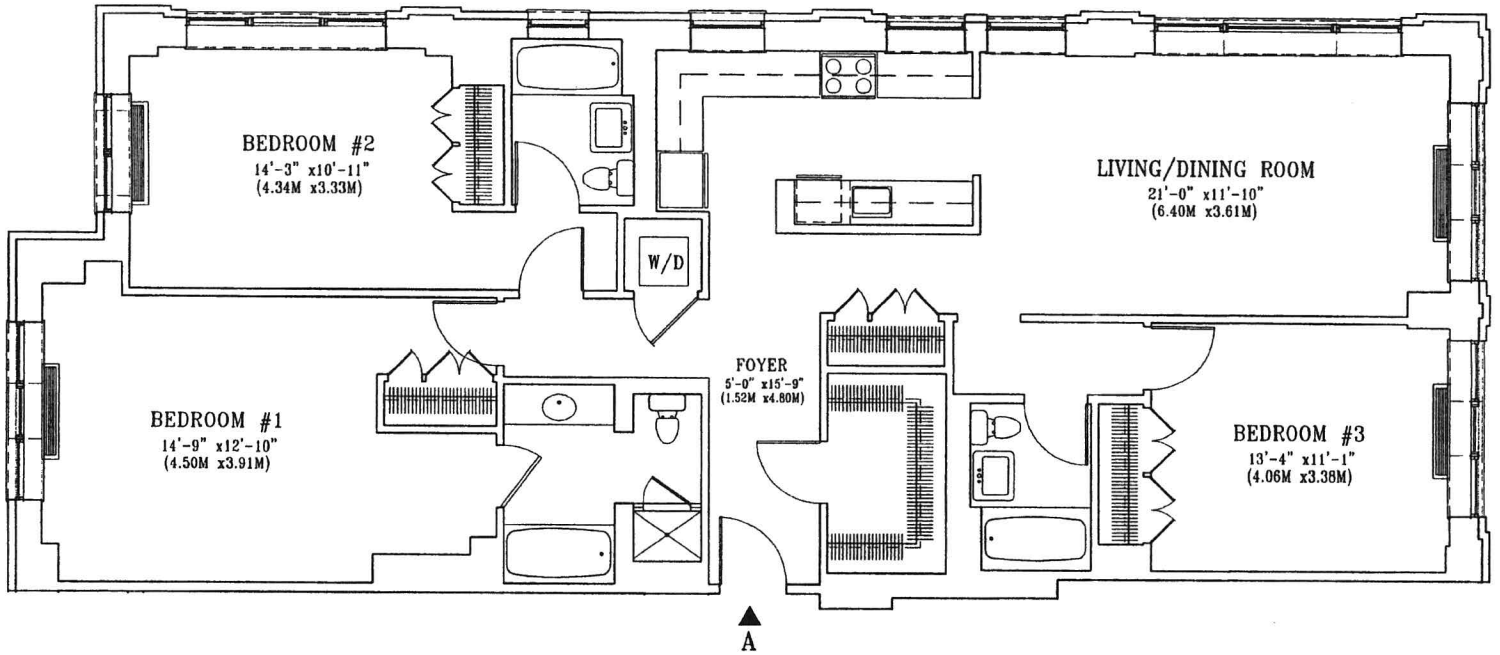
RESIDENTIAL UNITS

GENERAL COMMON ELEMENTS

RESIDENTIAL COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-61



SCALE:
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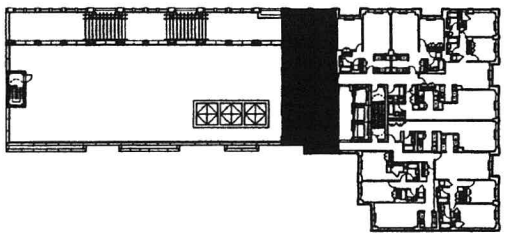


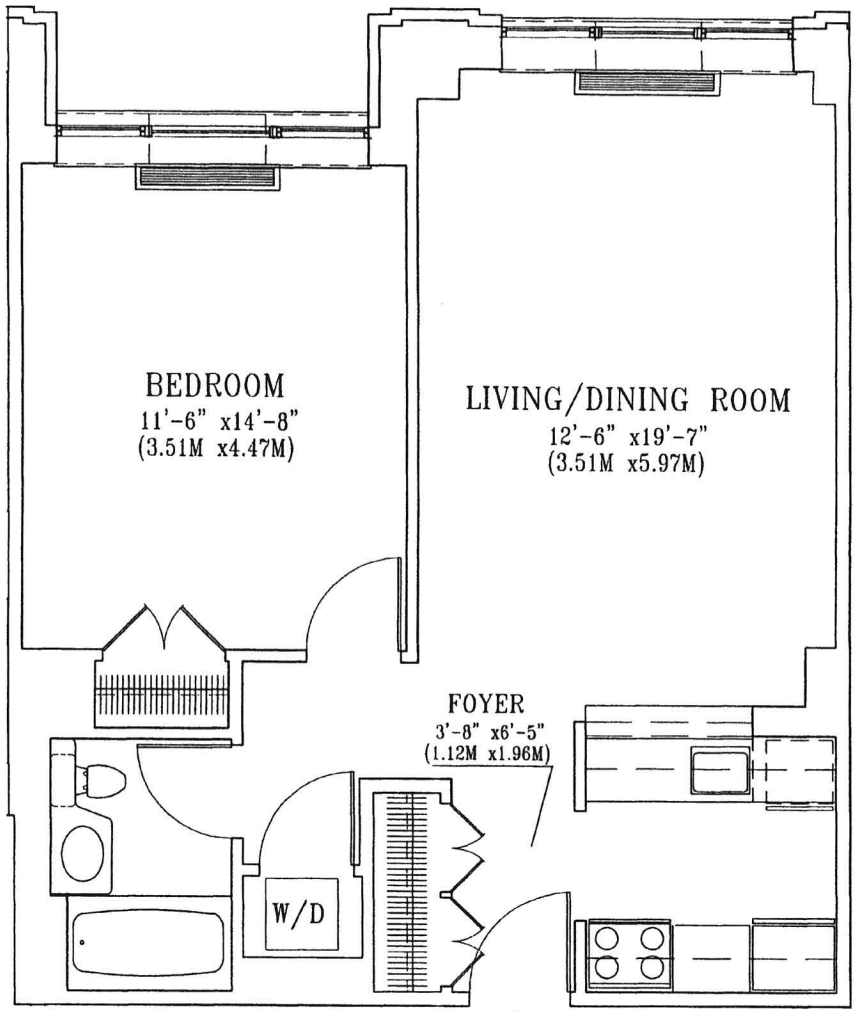
RESIDENCE A
FLOORS 8 THRU 10

3 BEDROOMS
3 BATHS
AREA = 1,646 SF
152.97 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-62



SCALE:
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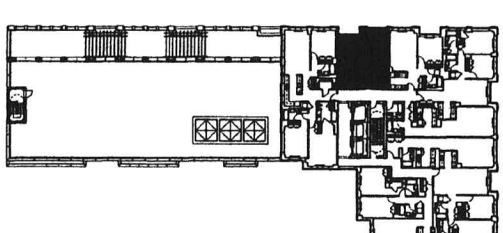


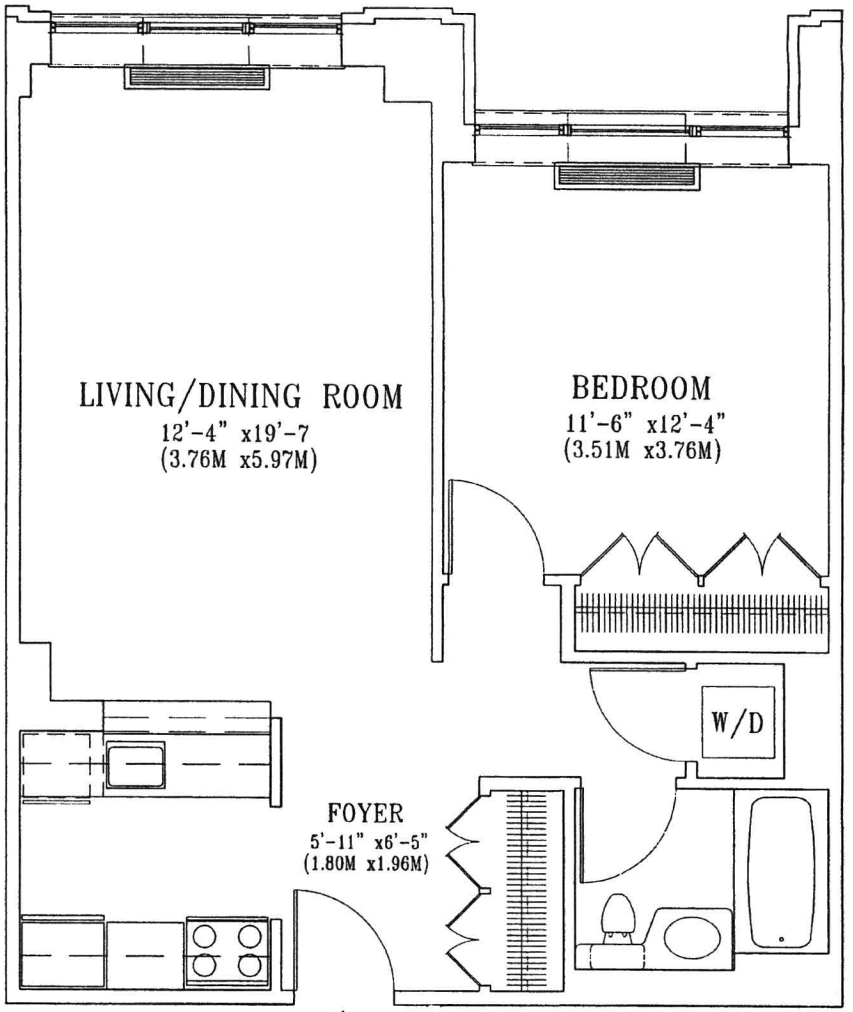
RESIDENCE B
FLOORS 8 THRU 10

1 BEDROOM
1 BATH
AREA = 702 SF
65.24 SM

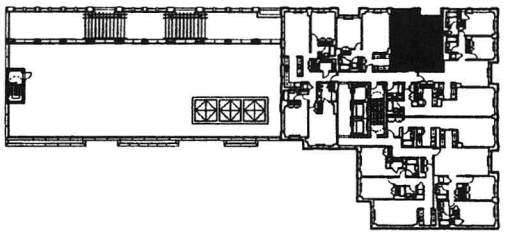
NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-63



SCALE:
0 6" 1' 2' 4' 8'



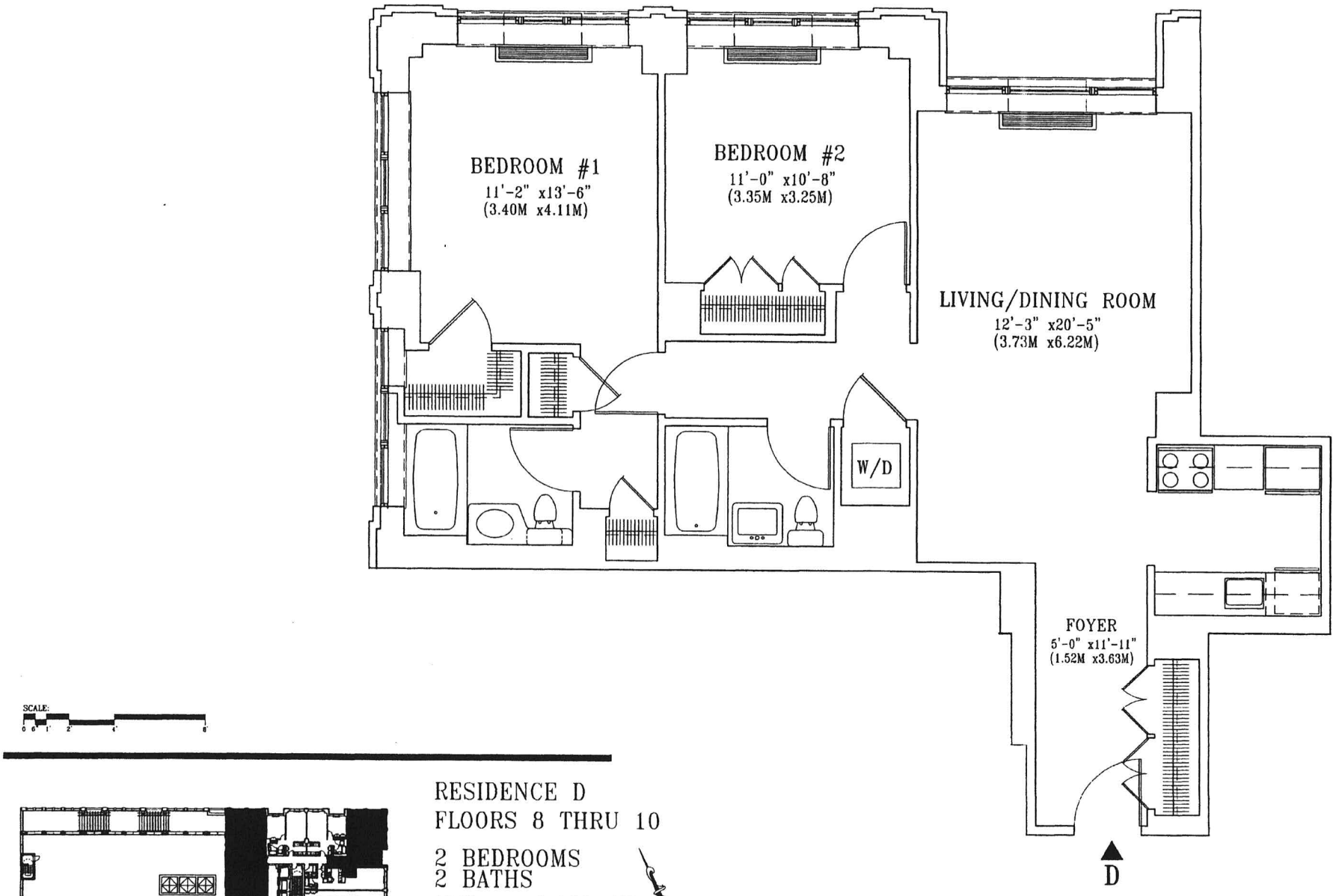
RESIDENCE C
FLOORS 8 THRU 10

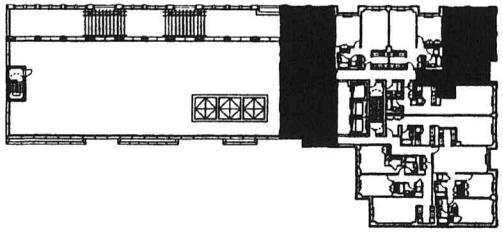
1 BEDROOM
1 BATH
AREA = 700 SF
65.06 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-64





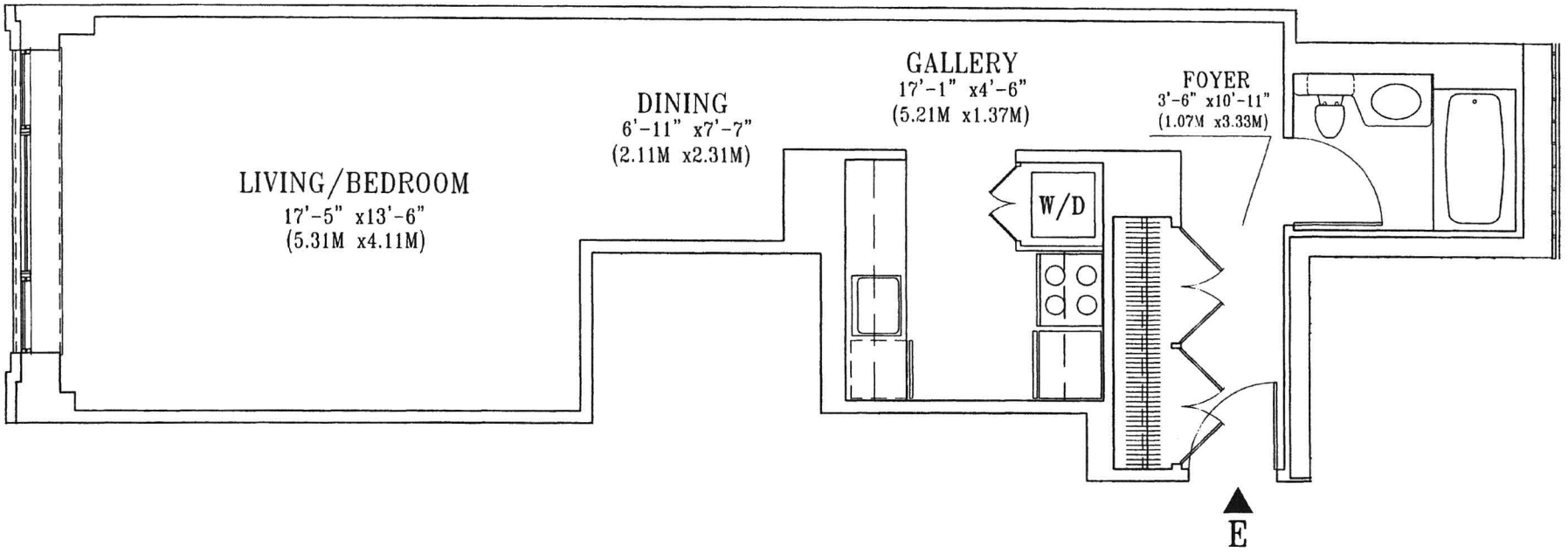
RESIDENCE D
FLOORS 8 THRU 10

2 BEDROOMS
2 BATHS
AREA = 1,038 SF
96.47 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-65



SCALE:
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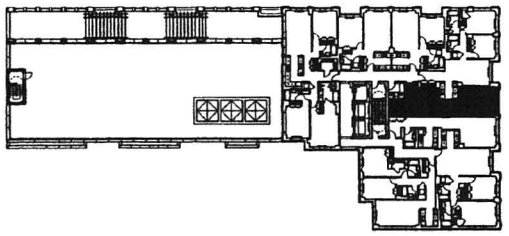


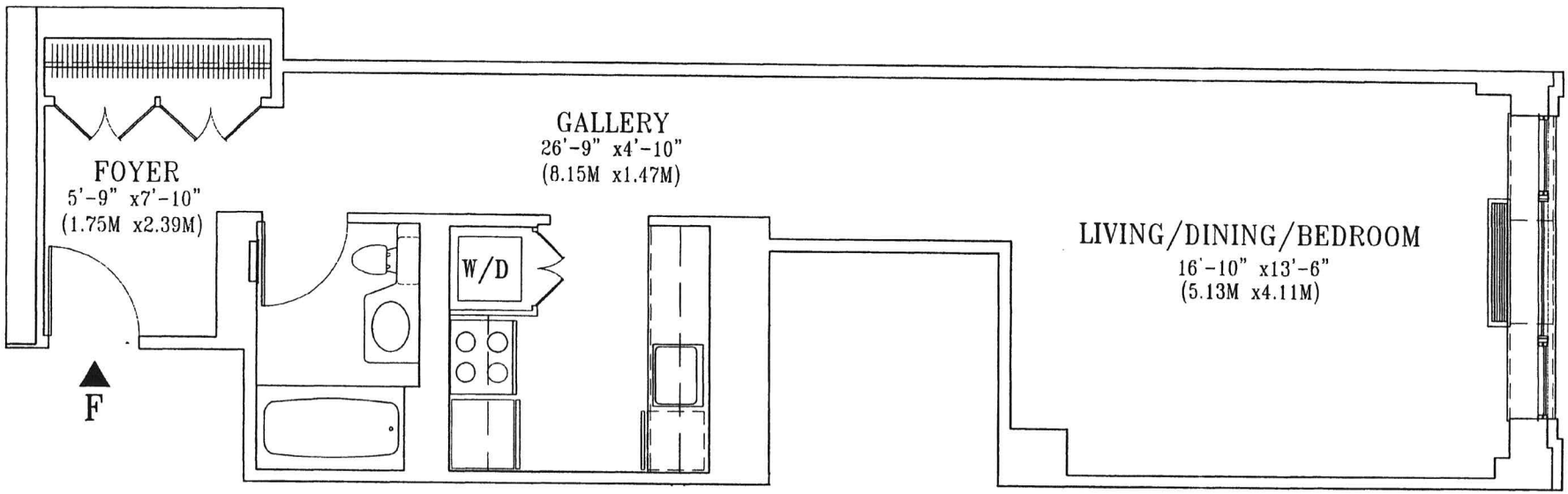
RESIDENCE E
FLOORS 8 THRU 10

0 BEDROOM
1 BATH
AREA = 610 SF
56.69 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-66



SCALE:
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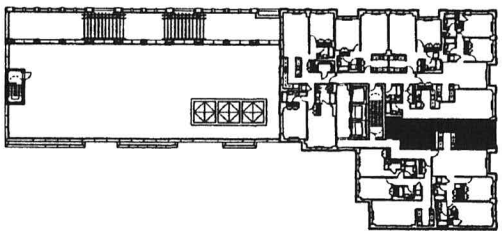


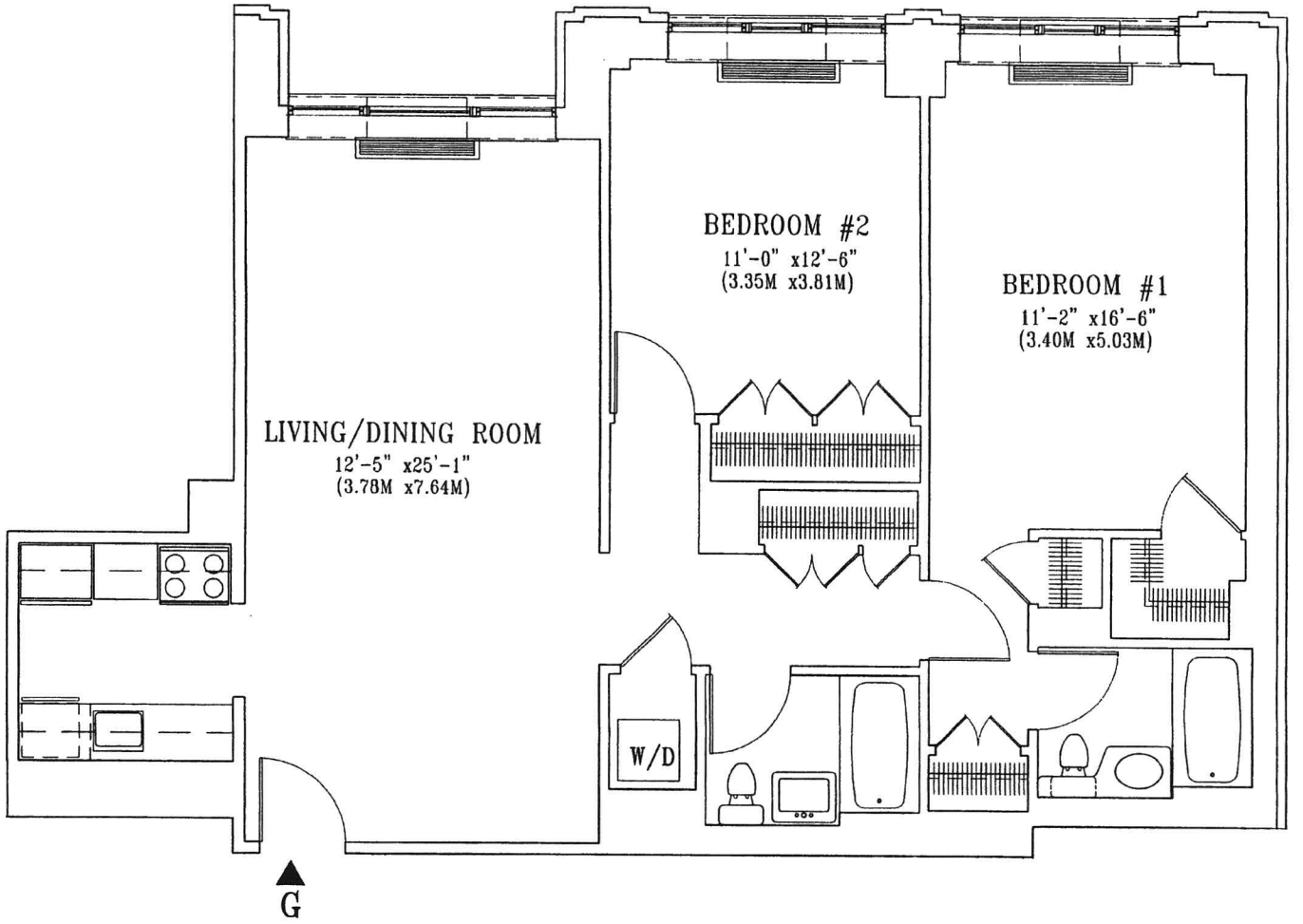
RESIDENCE F
FLOORS 8 THRU 10

0 BEDROOM
1 BATH
AREA = 620 SF
57.62 SM

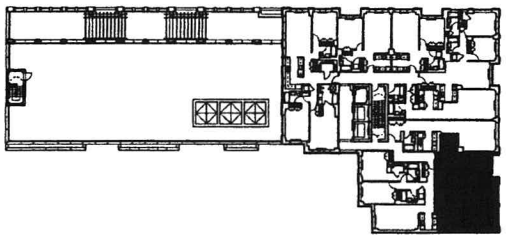
NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-67



SCALE:



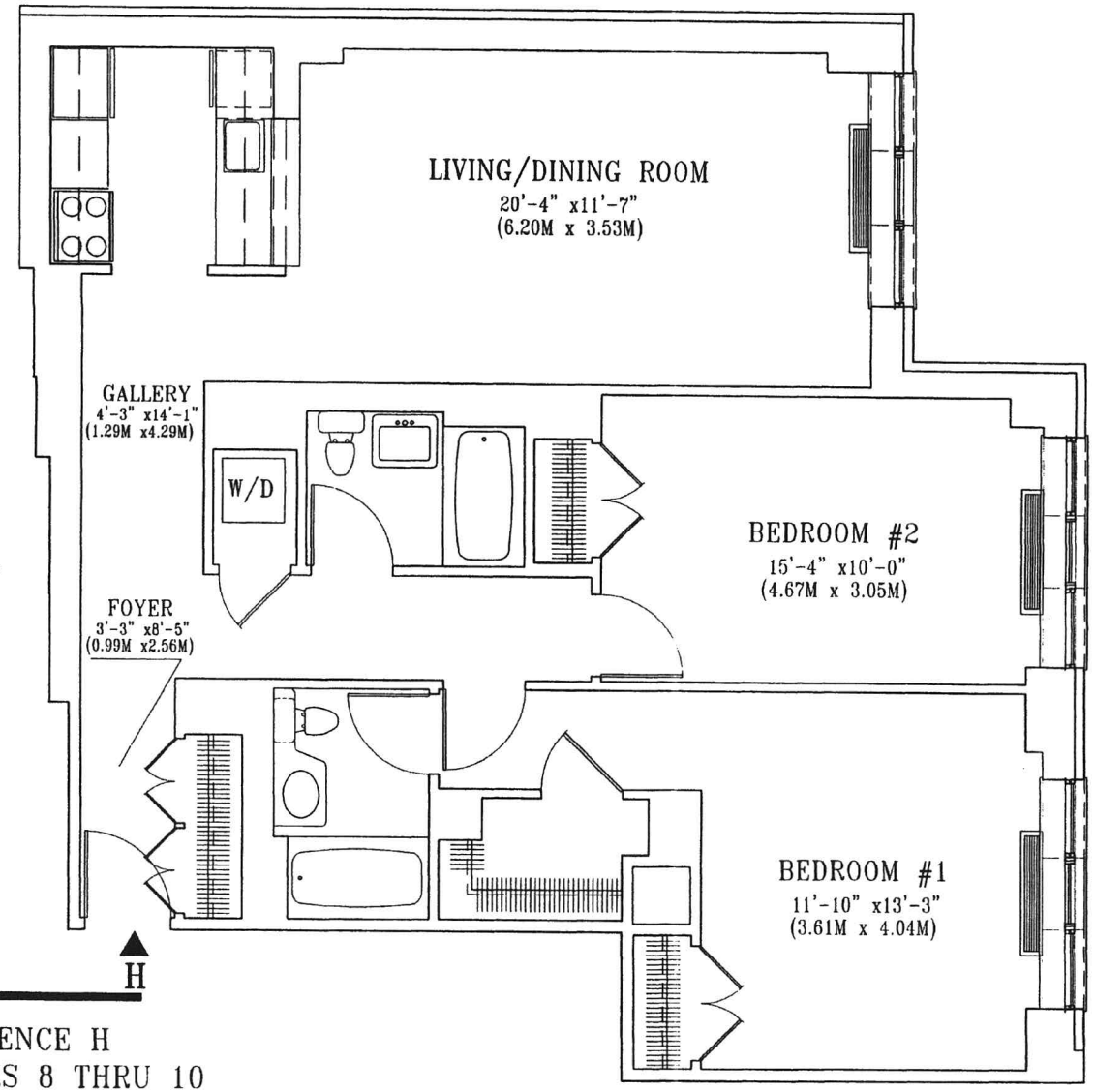
RESIDENCE G
FLOORS 8 THRU 10

2 BEDROOMS
2 BATHS
AREA = 1,130 SF
105.02 SM

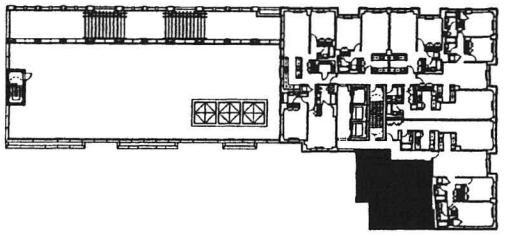
NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-68



SCALE:



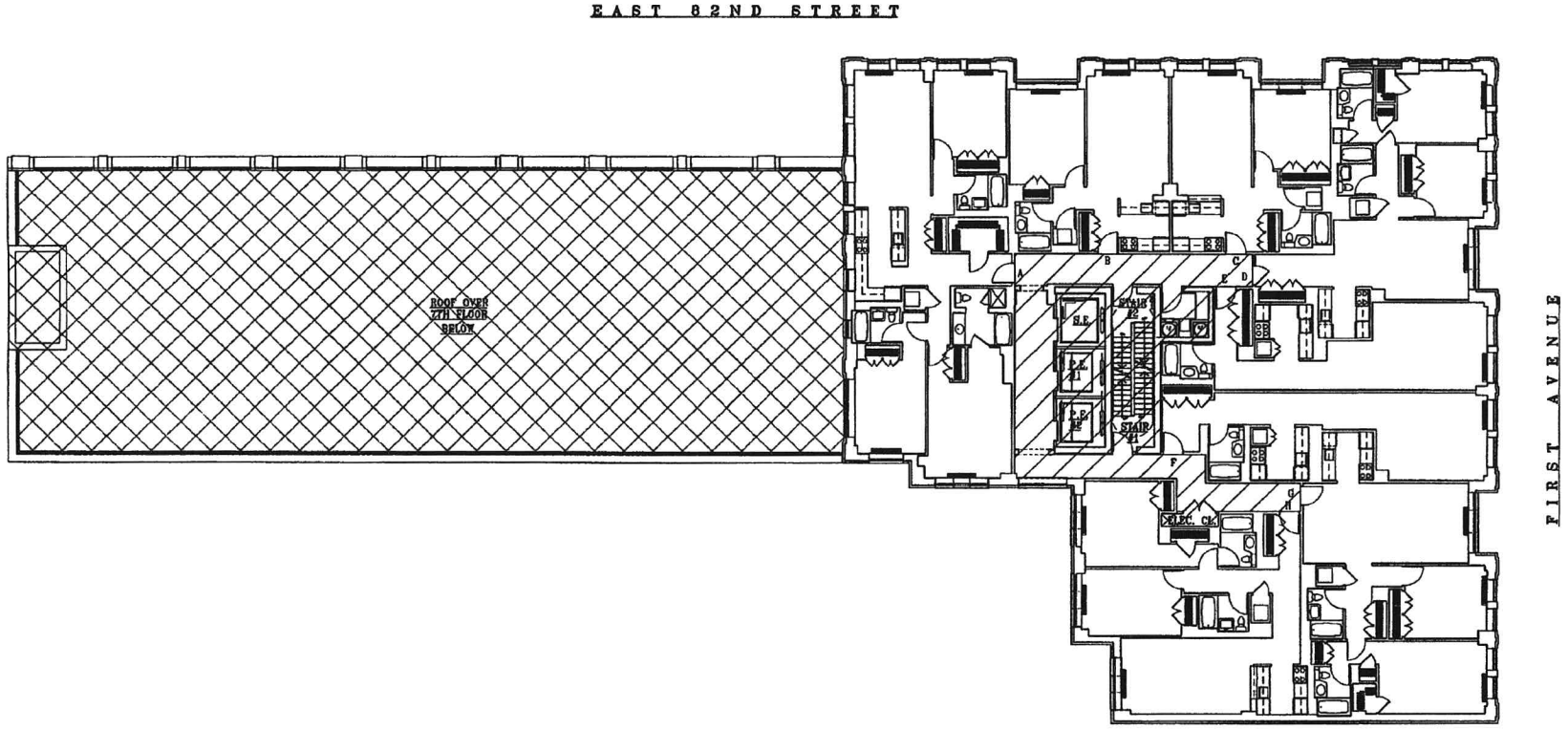
RESIDENCE H
FLOORS 8 THRU 10

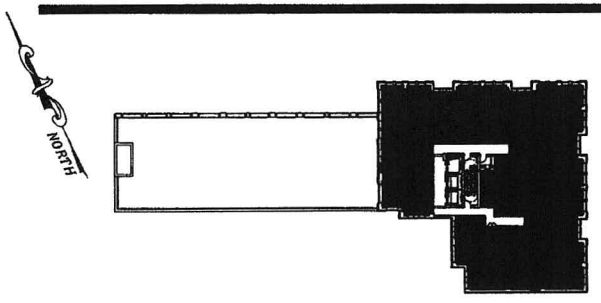
2 BEDROOMS
2 BATHS
AREA = 1,143 SF
106.23 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-69





ELEVENTH AND TWELFTH FLOORS

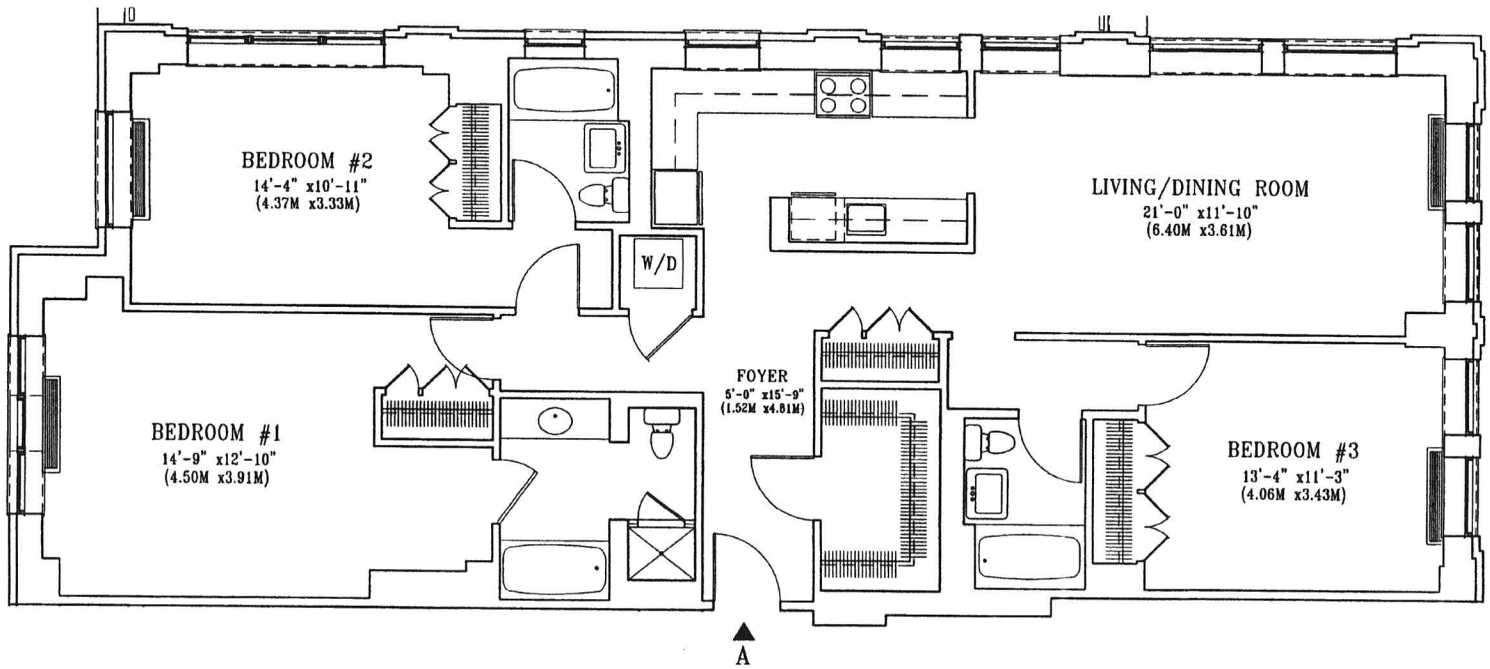
RESIDENTIAL UNITS

GENERAL COMMON ELEMENTS

RESIDENTIAL COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-70



SCALE:
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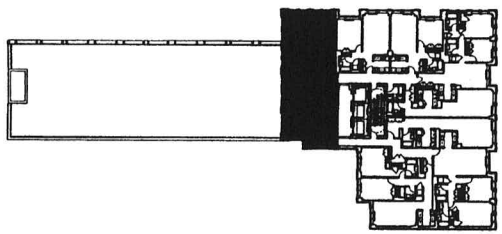


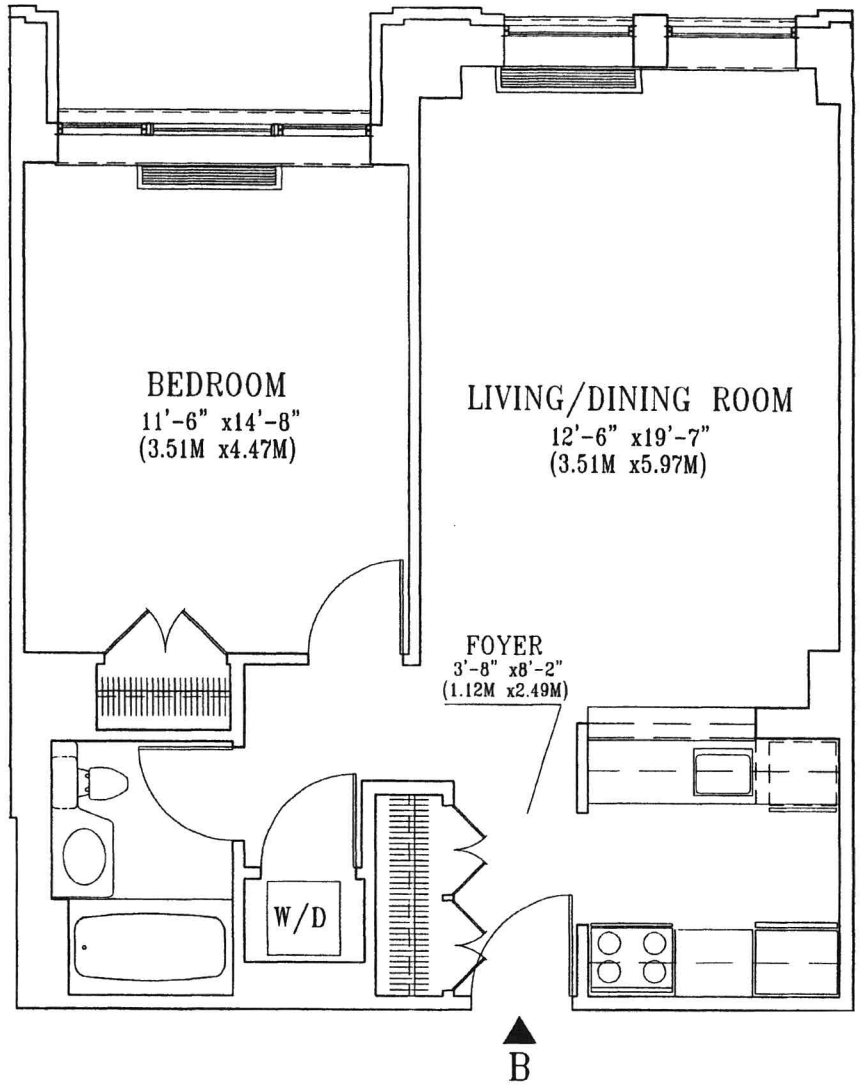
RESIDENCE A
FLOORS 11 AND 12

3 BEDROOMS
3 BATHS
AREA = 1,646 SF
152.97 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-71



SCALE:
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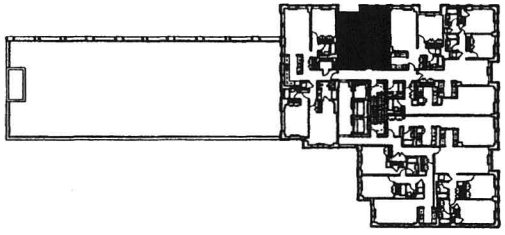


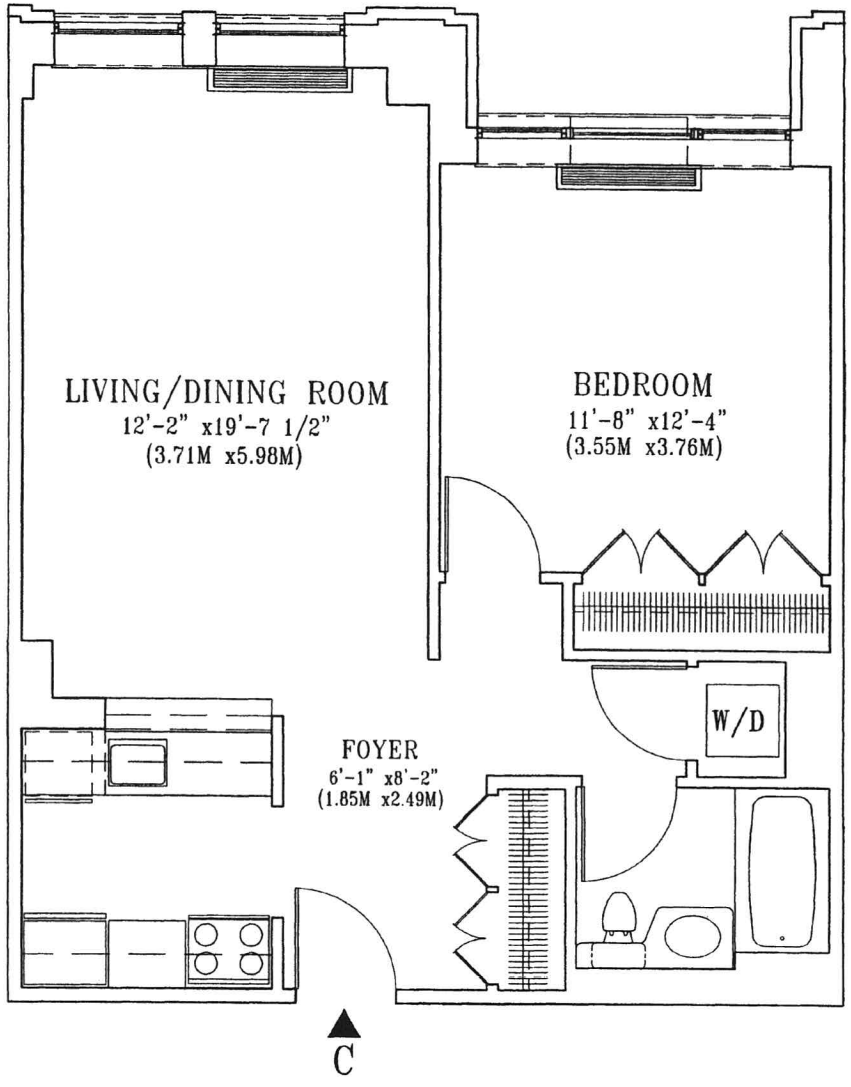
RESIDENCE B
FLOORS 11 AND 12

1 BEDROOM
1 BATH
AREA = 702 SF
65.24 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-72



SCALE:
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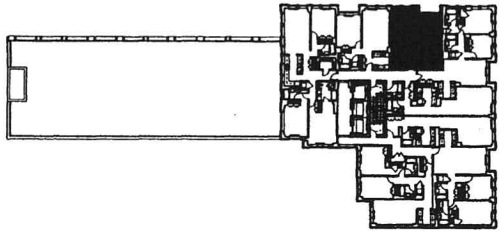


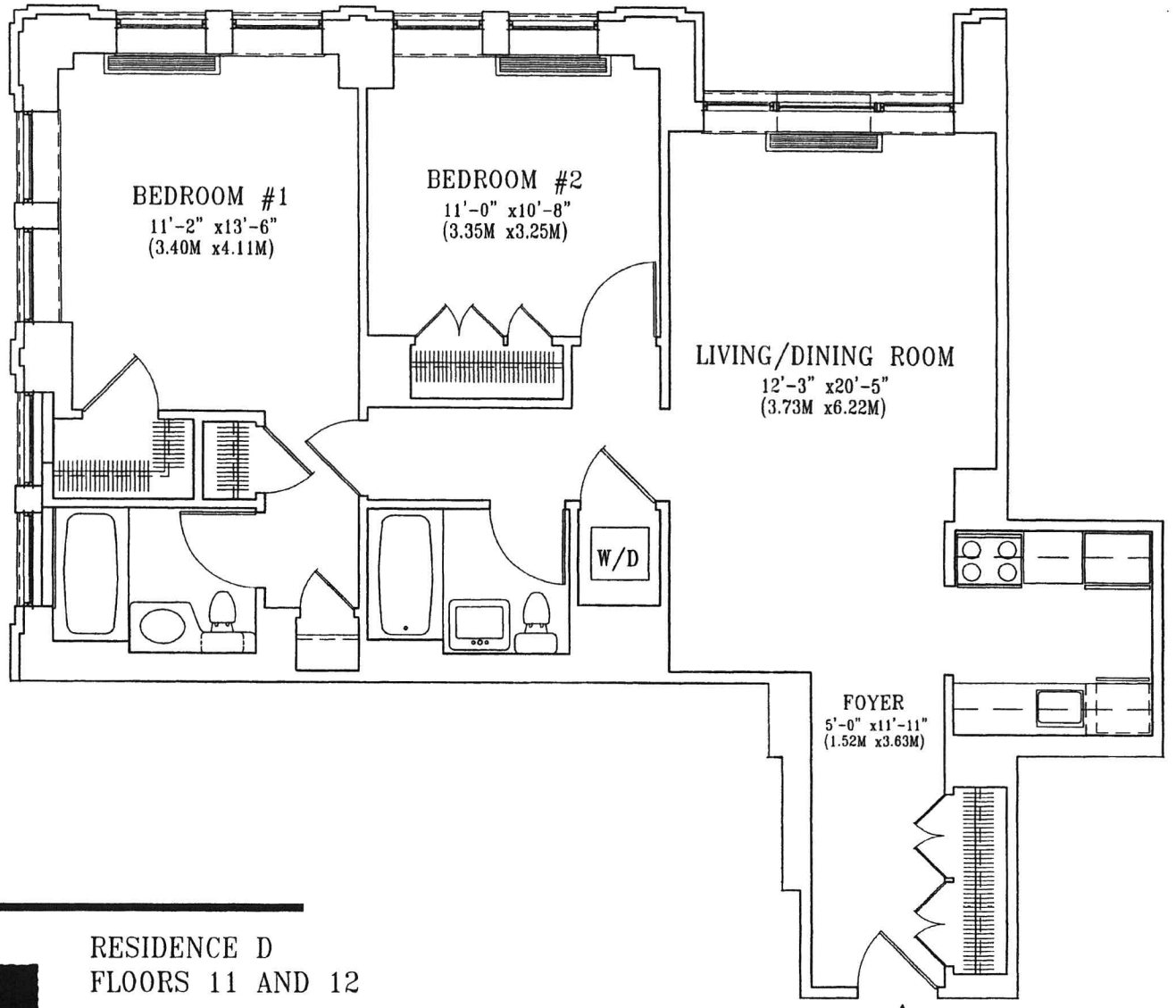
RESIDENCE C
FLOORS 11 AND 12

1 BEDROOM
1 BATH
AREA = 700 SF
65.06 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-73



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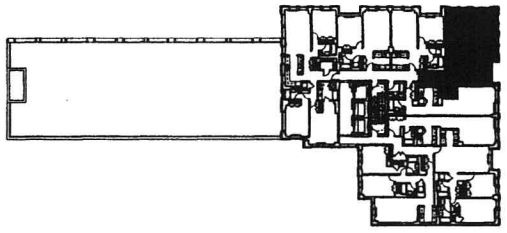


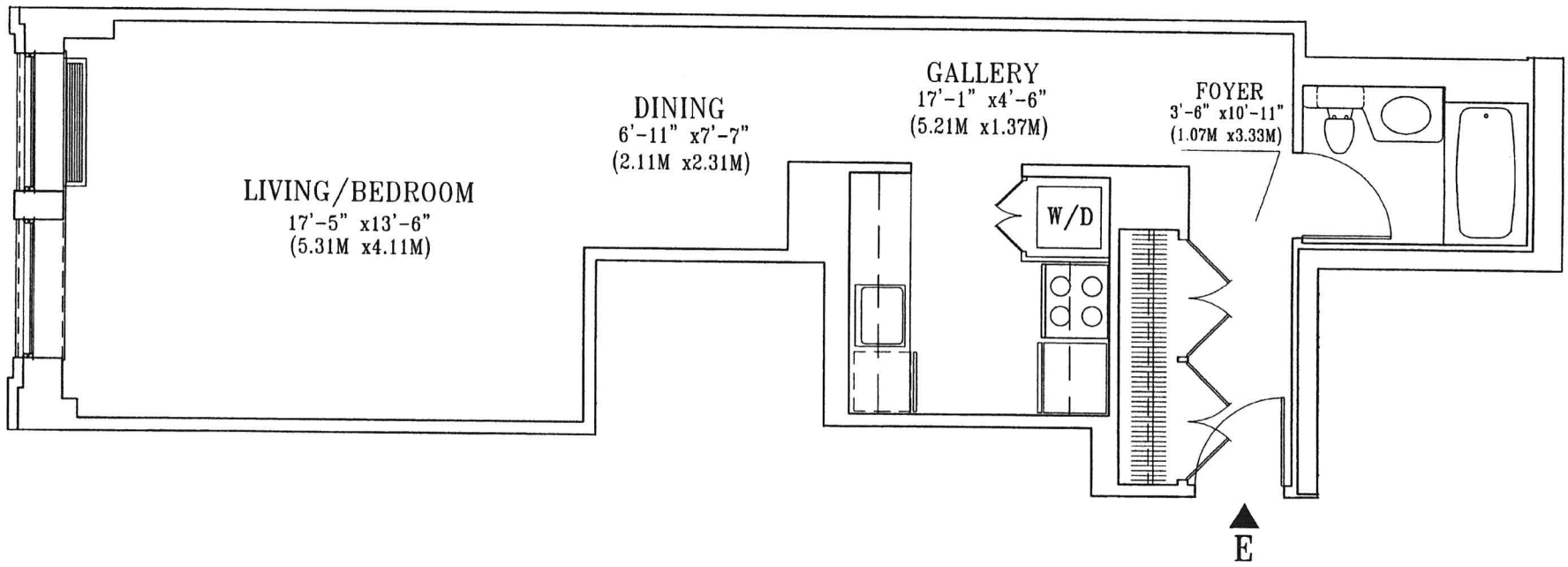
RESIDENCE D
FLOORS 11 AND 12

2 BEDROOMS
2 BATHS
AREA = 1,038 SF
96.47 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-74



SCALE:
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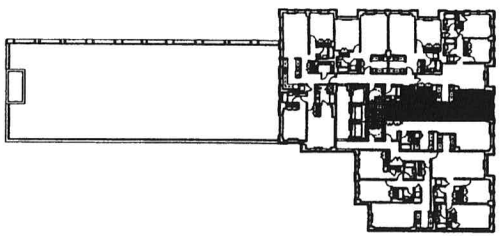


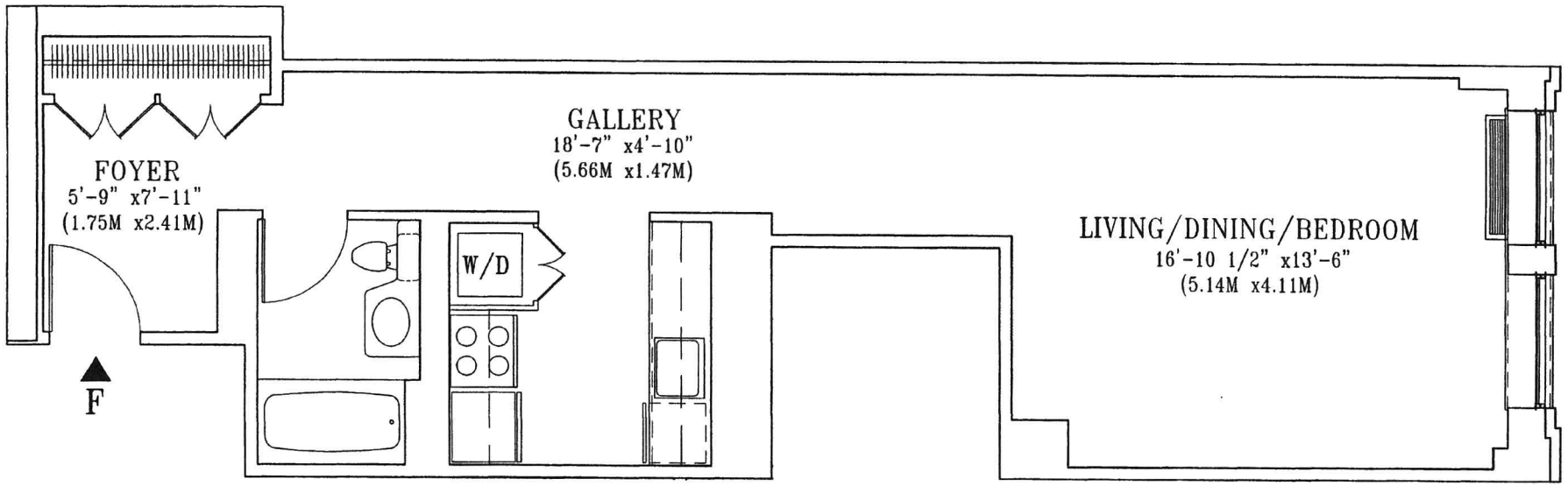
RESIDENCE E
FLOORS 11 AND 12

0 BEDROOM
1 BATH
AREA = 610 SF
56.69 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-75



SCALE:
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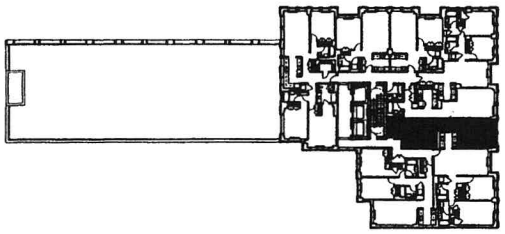


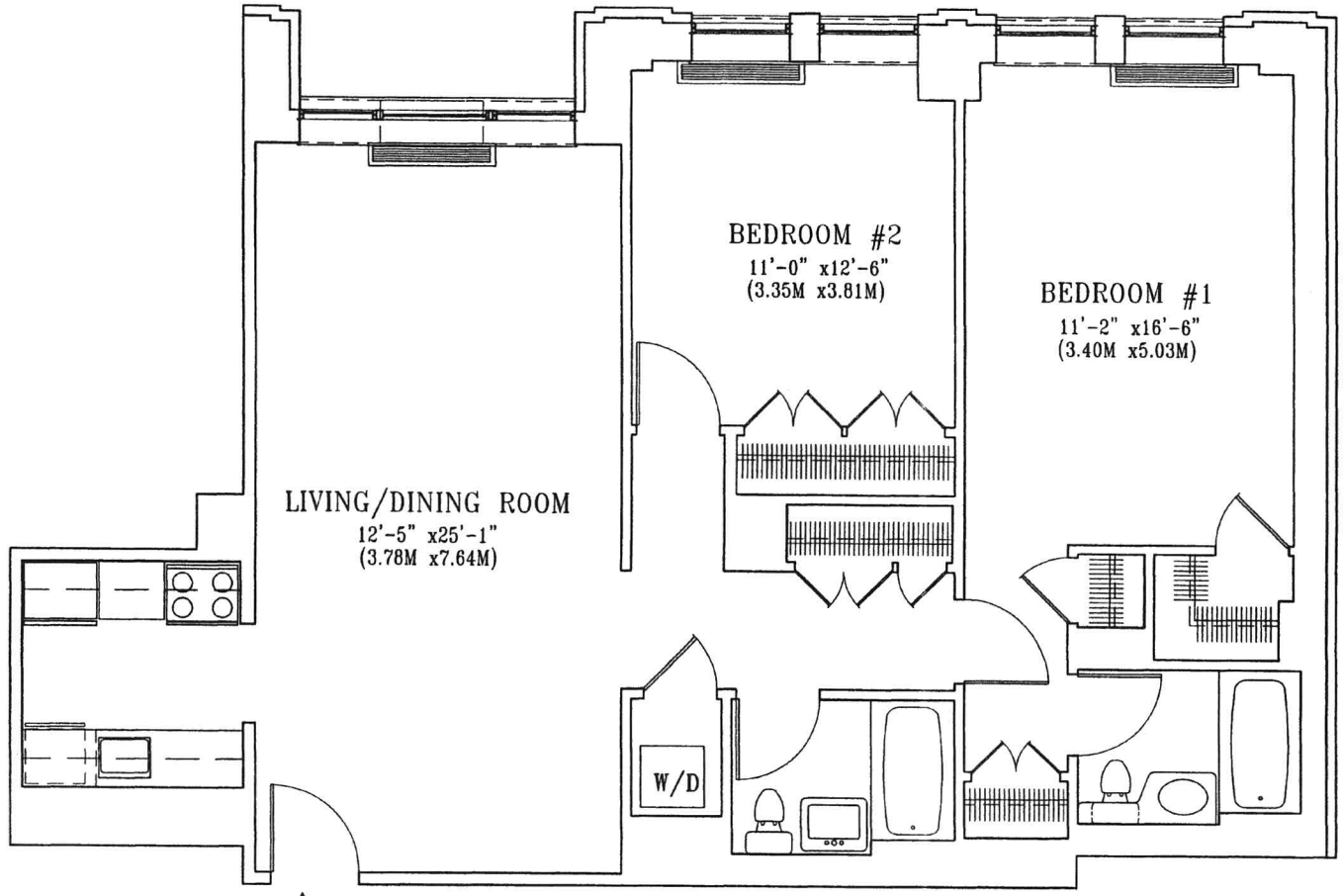
RESIDENCE F
FLOORS 11 AND 12

0 BEDROOM
1 BATH
AREA = 620 SF
57.62 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-76



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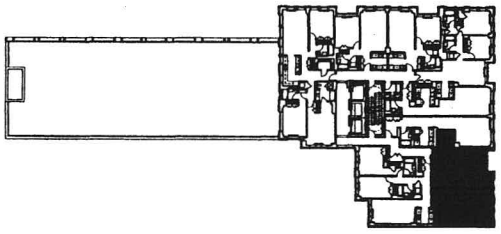


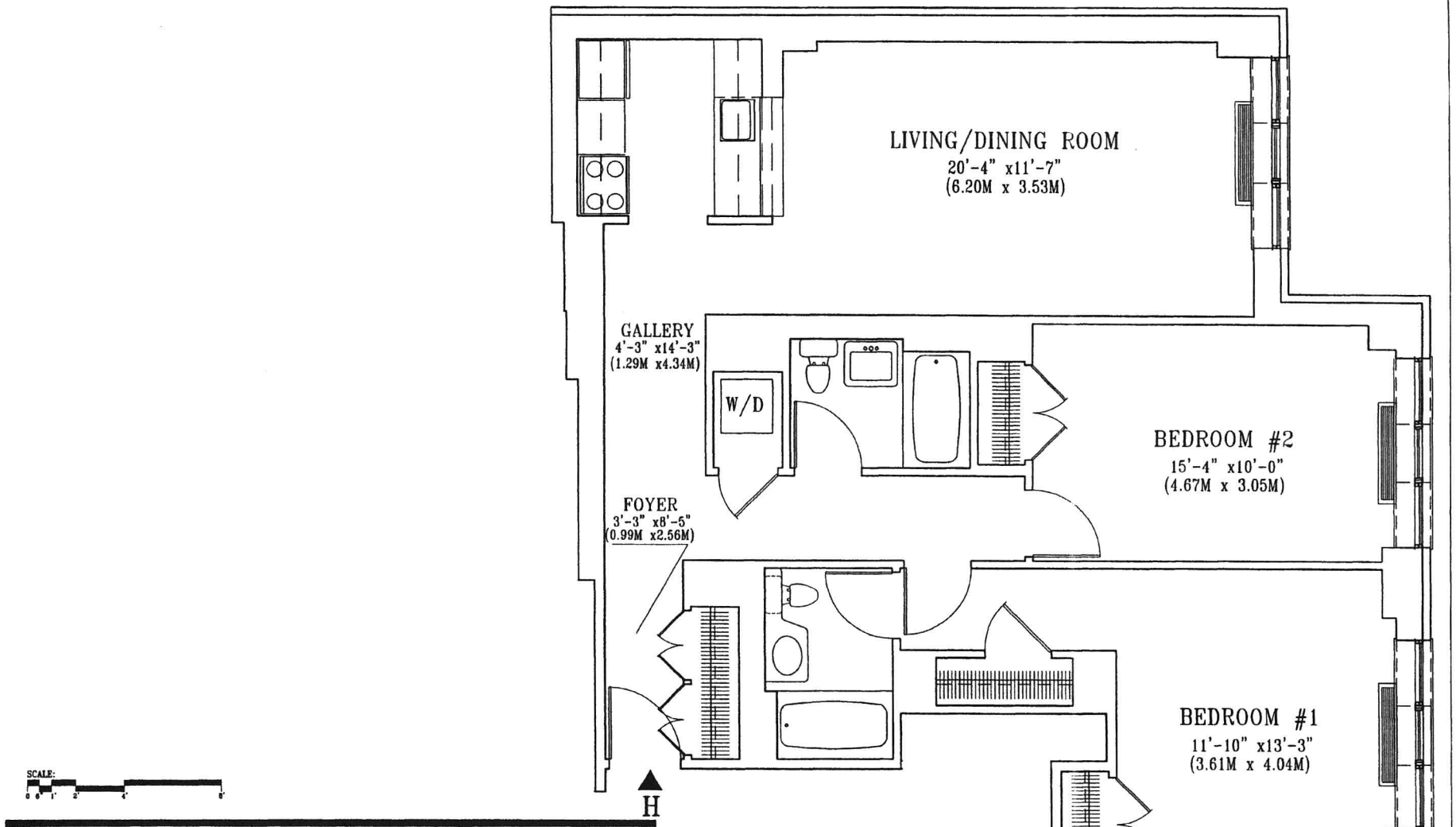
RESIDENCE G
FLOORS 11 AND 12

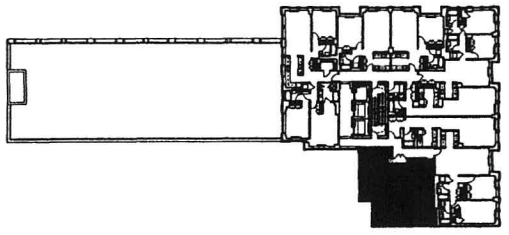
2 BEDROOMS
2 BATHS
AREA = 1,130 SF
105.02 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-77





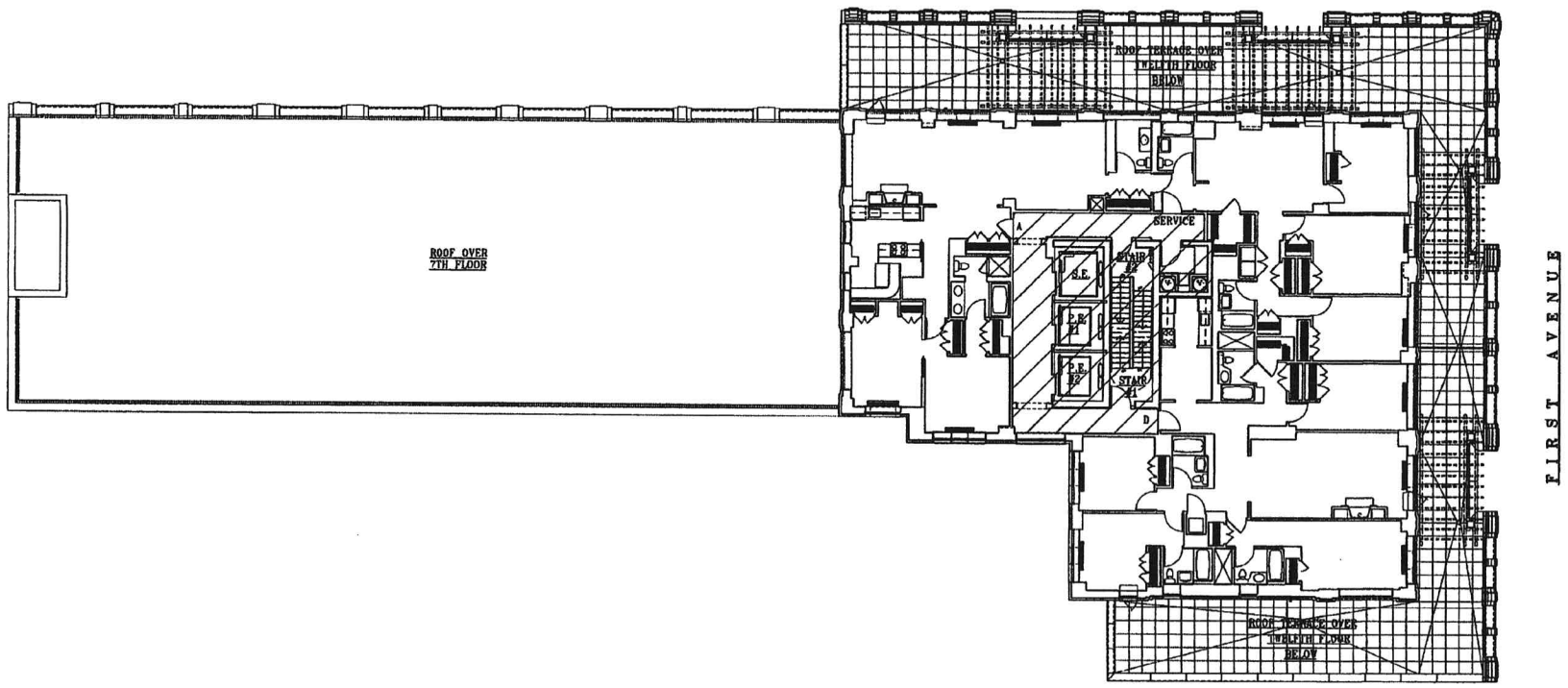
RESIDENCE H
FLOORS 11 AND 12

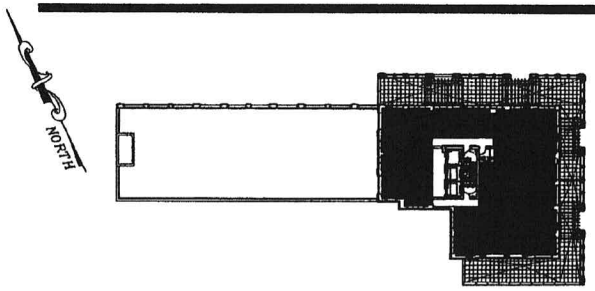
2 BEDROOMS
2 BATHS
AREA = 1,122 SF
104.28 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-78





FOURTEENTH FLOOR

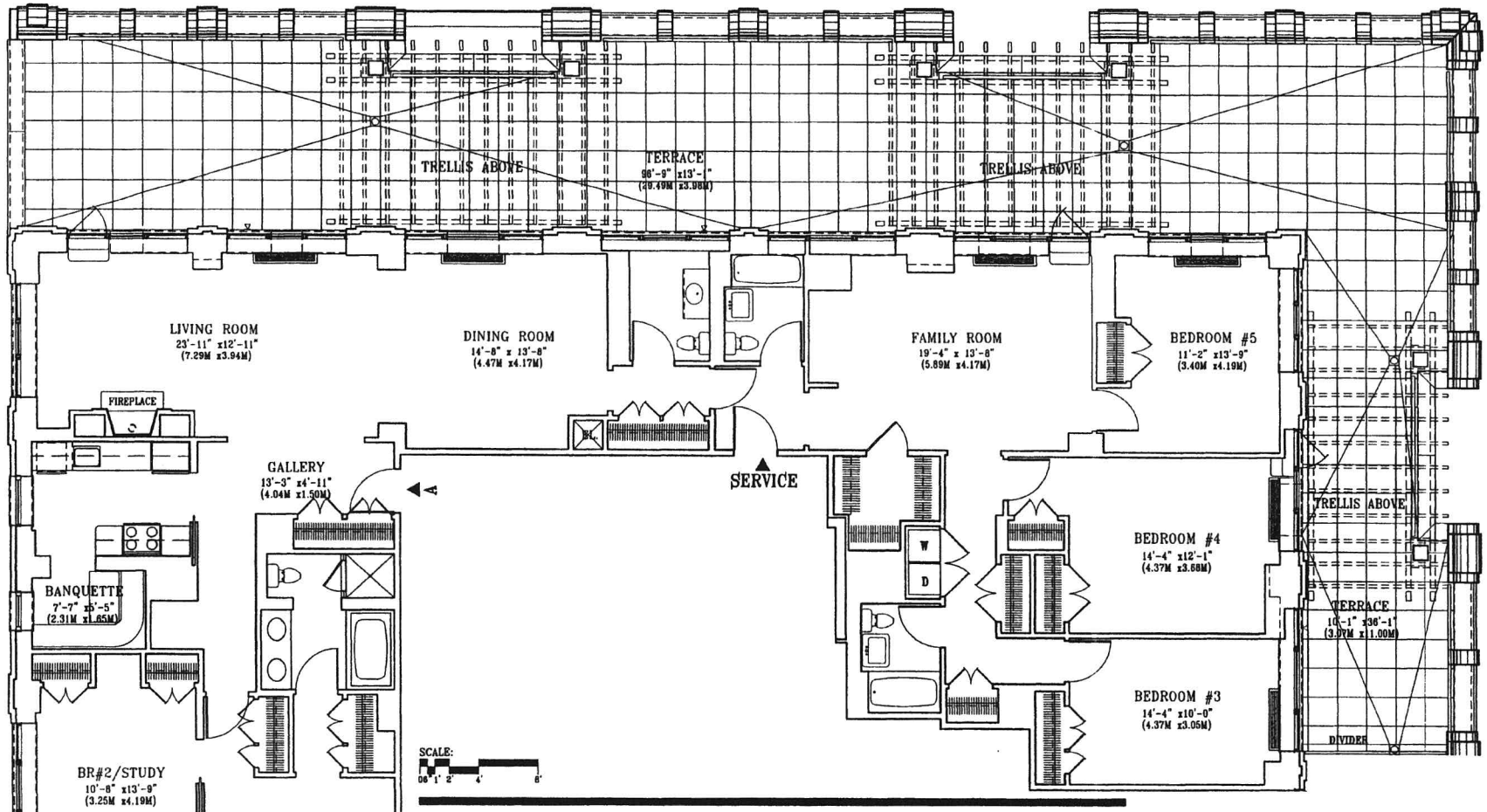
RESIDENTIAL UNITS

RESIDENTIAL COMMON ELEMENTS

RESIDENTIAL LIMITED COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

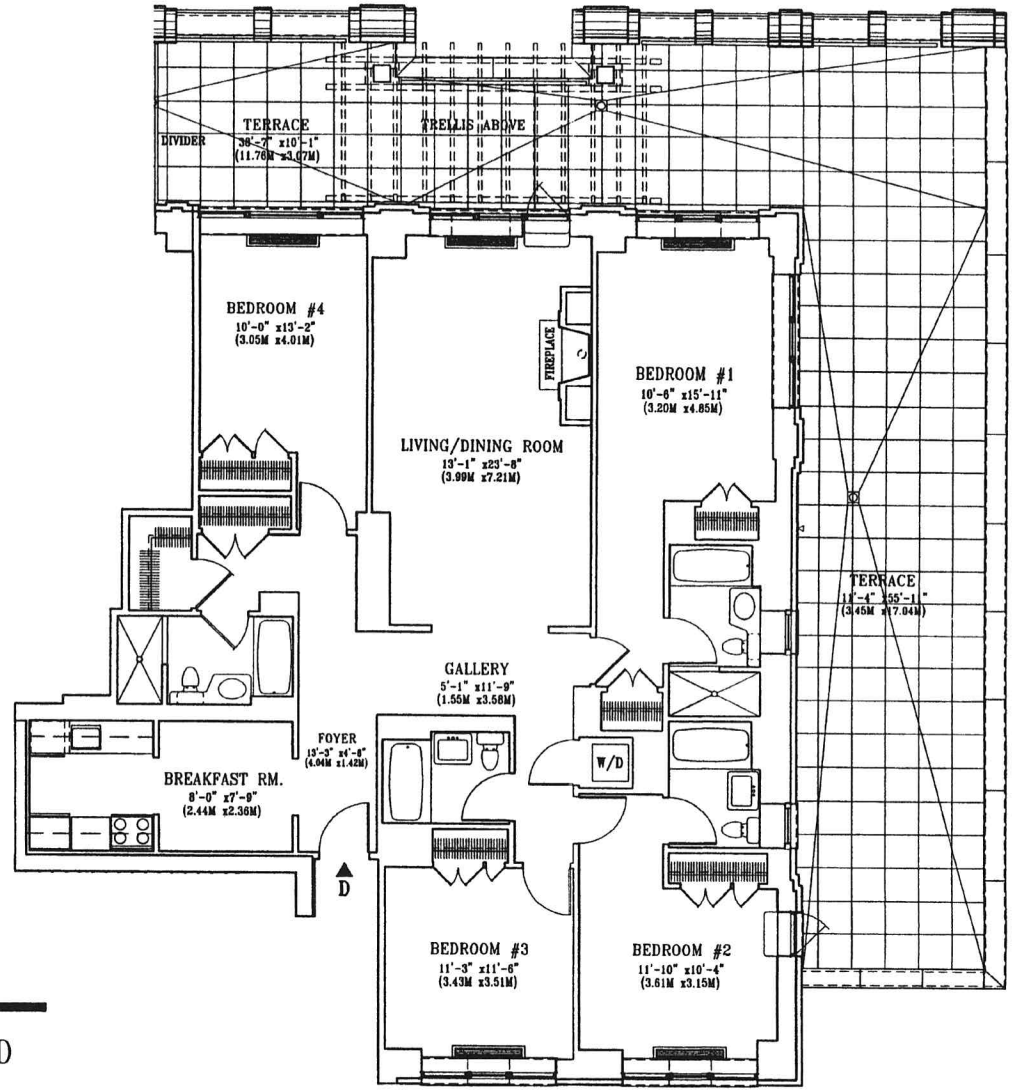
WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-79



RESIDENCE A
FLOOR 14
5 BEDROOM
3 BATHS
1 POWDER ROOM
1 FAMILY ROOM
DINING ROOM
APT. AREA = 2,882 SF - 267.84 SM
TERRACE = 1,575 SF - 146.38 SM

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-80



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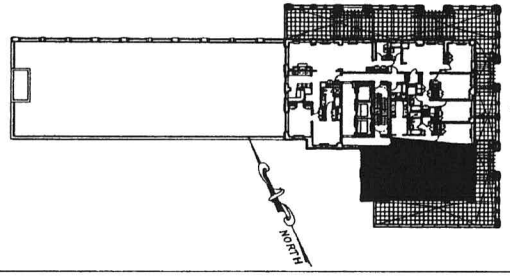


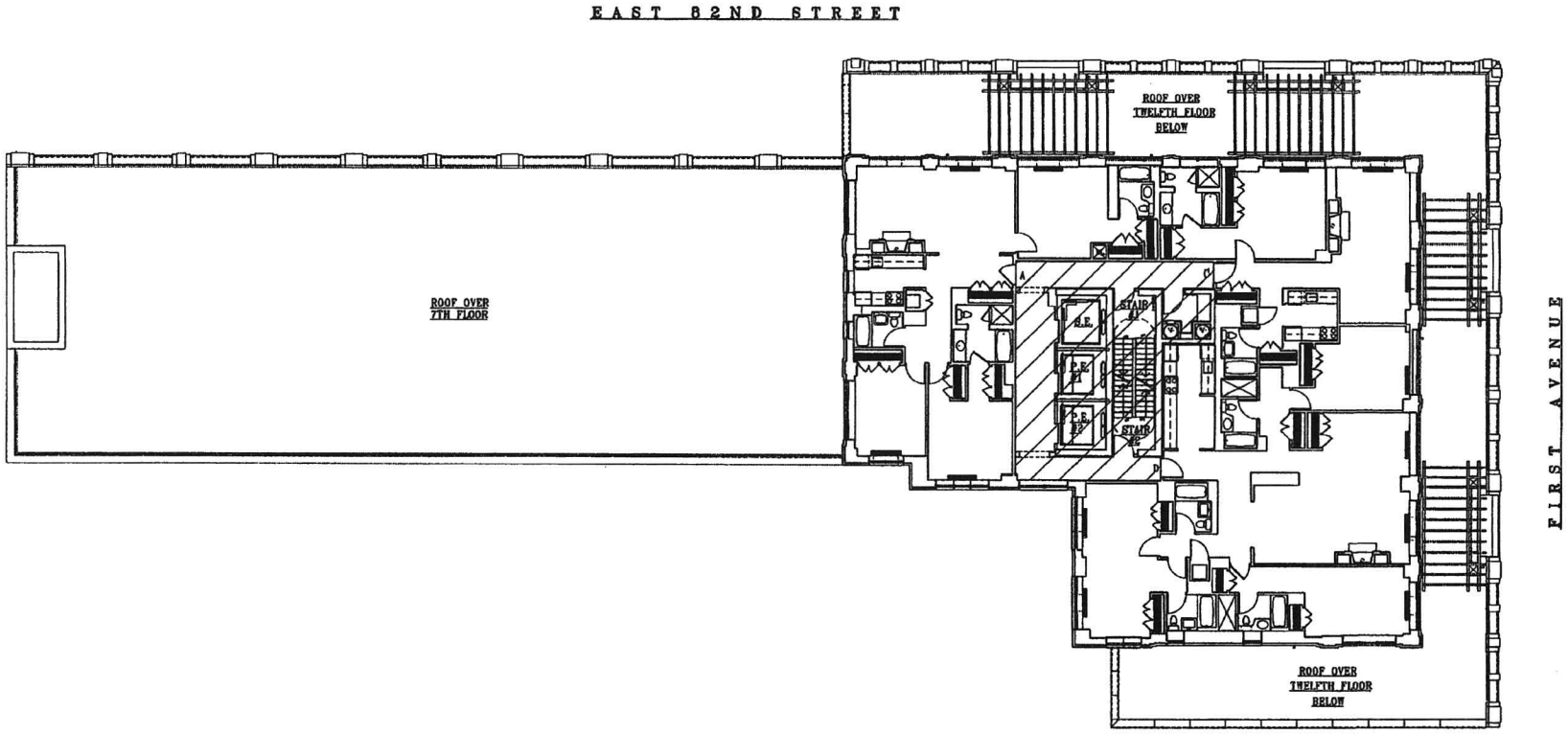
RESIDENCE D
FLOOR 14

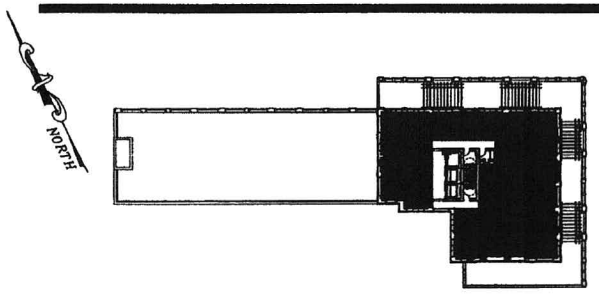
4 BEDROOM
4 BATHS

APT. AREA = 1,889 SF - 175.56 SM
TERRACE = 995 SF - 92.47 SM

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-81





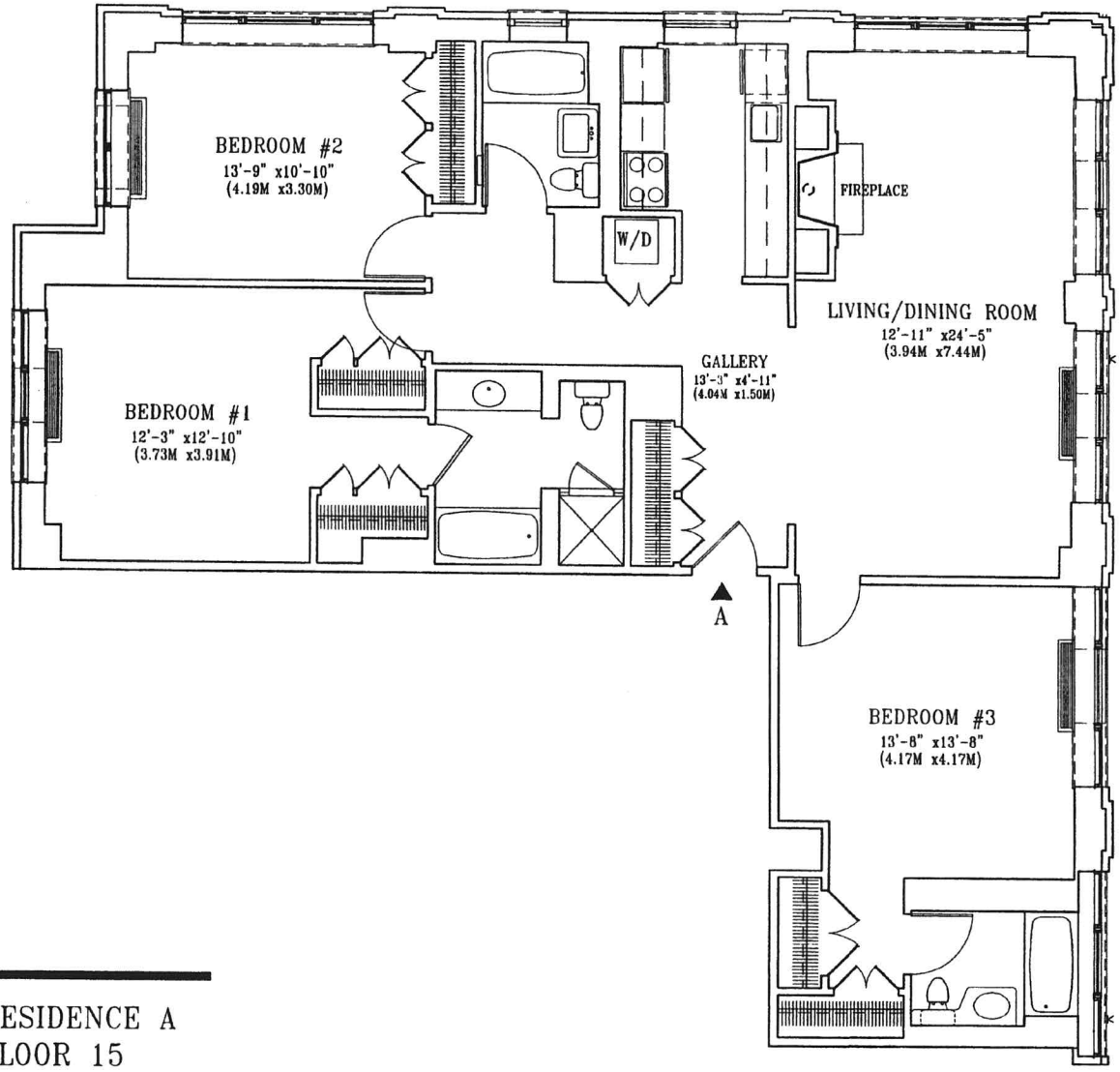
FIFTEENTH FLOOR

RESIDENTIAL UNITS

RESIDENTIAL COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-82



SCALE:
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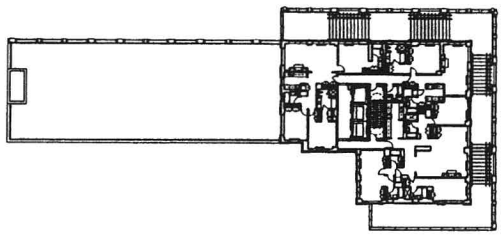


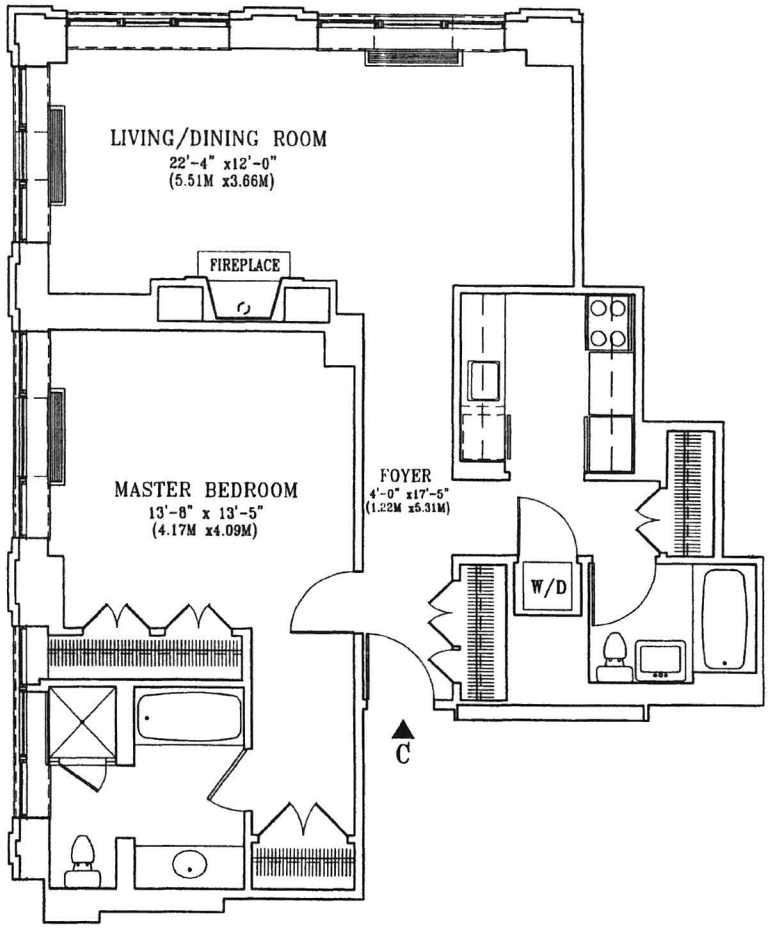
RESIDENCE A
FLOOR 15

3 BEDROOMS
3 BATHS
AREA = 1,608 SF
149.44 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-83



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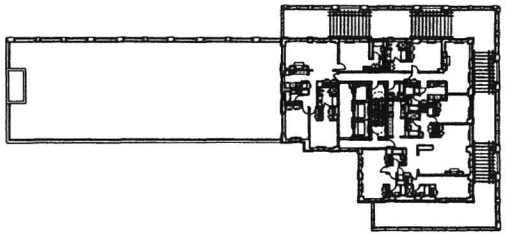


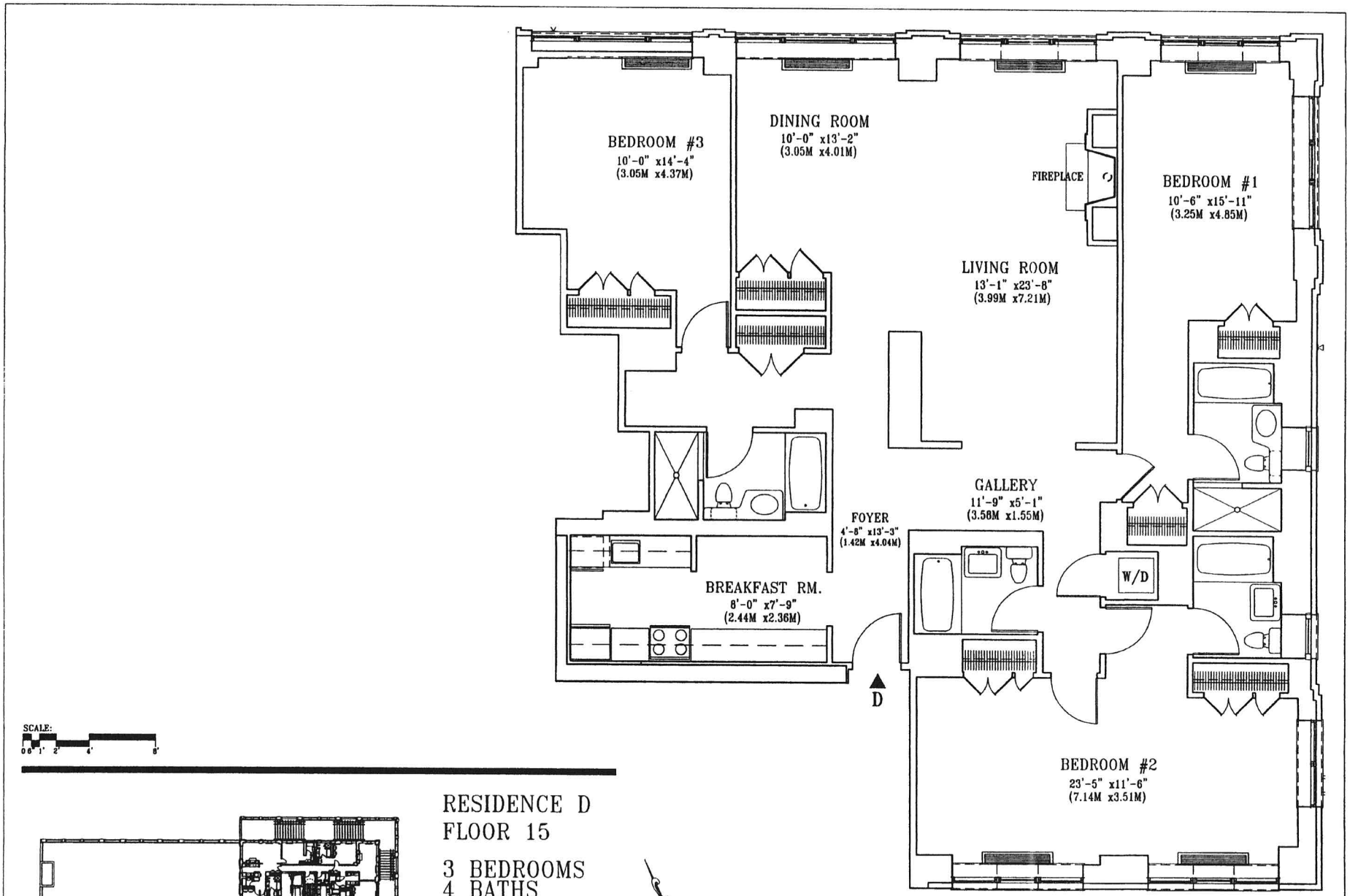
RESIDENCE C
FLOOR 15

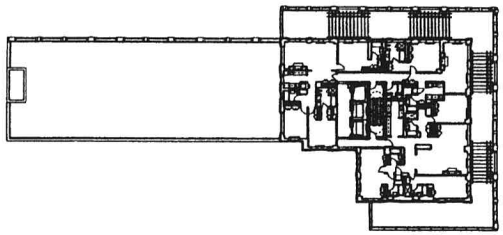
1 BEDROOM
2 BATHS
AREA = 1,029 SF
95.63 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-84





RESIDENCE D
FLOOR 15

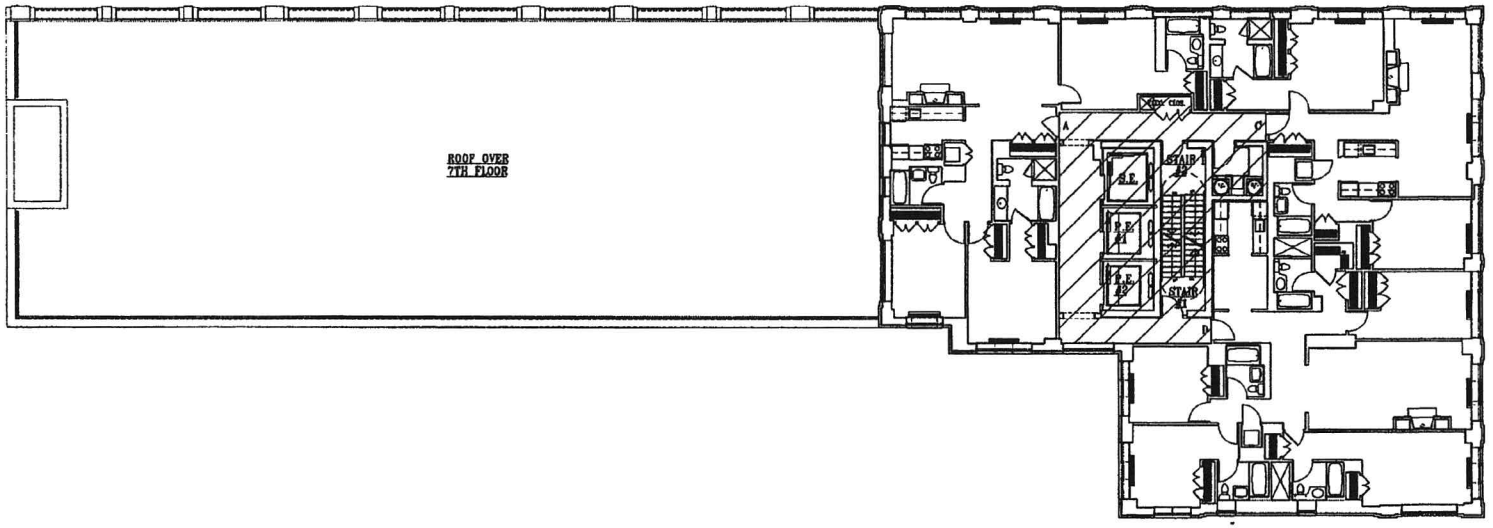
3 BEDROOMS
4 BATHS
AREA = 2,127 SF
197.58 SM

NORTH

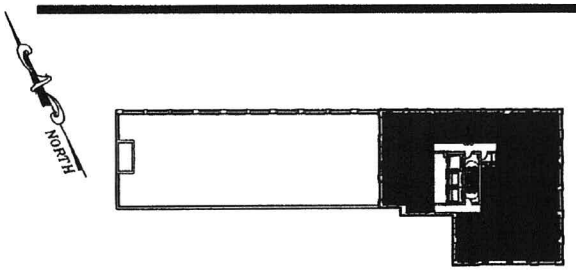
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-85

EAST 82ND STREET



FIRST AVENUE



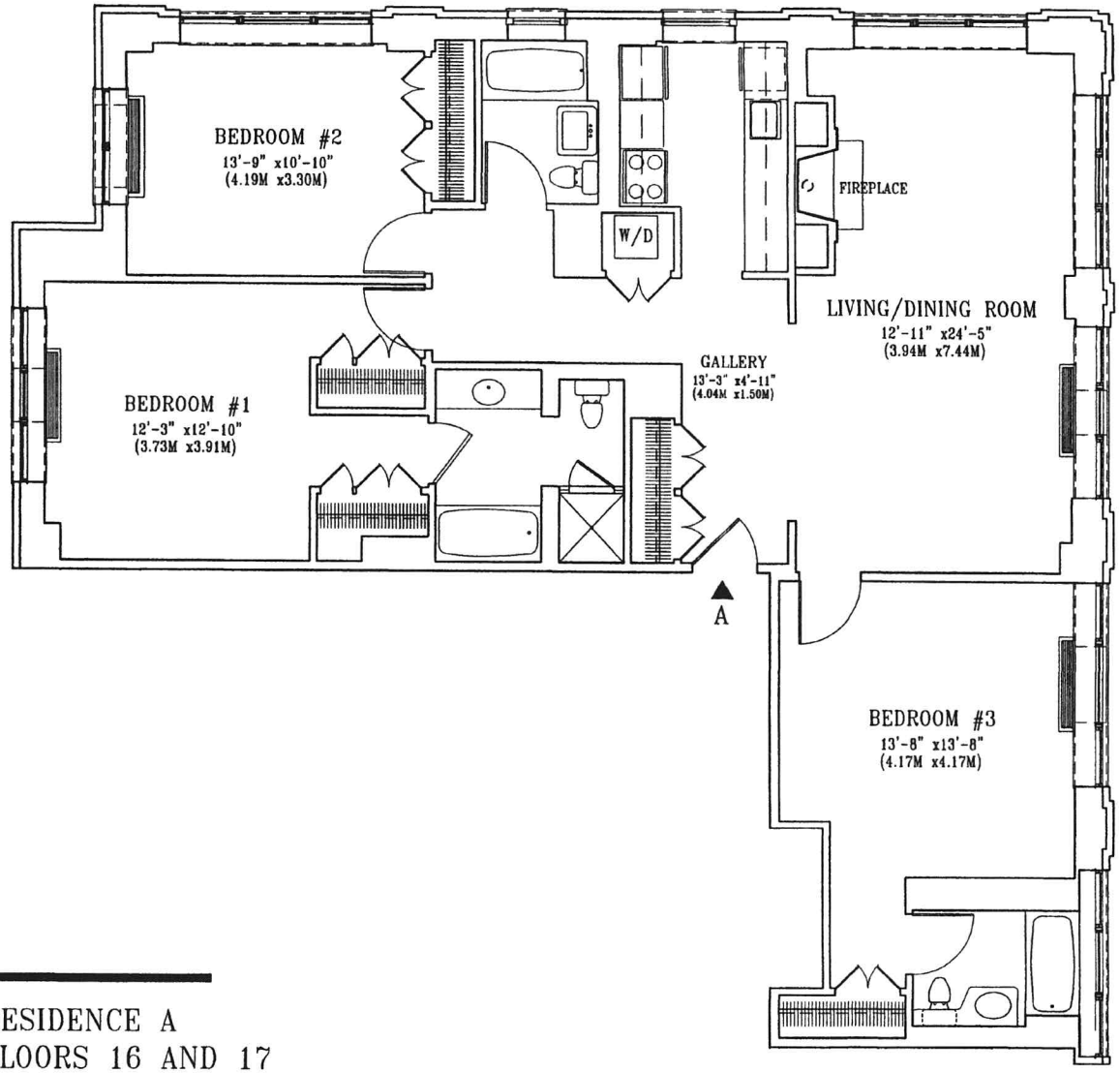
SIXTEENTH AND SEVENTEENTH FLOORS

RESIDENTIAL UNITS

RESIDENTIAL COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-86



SCALE:
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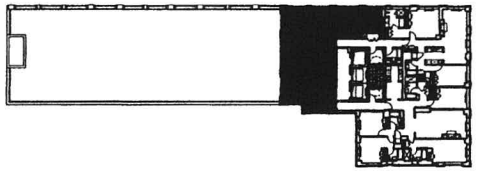


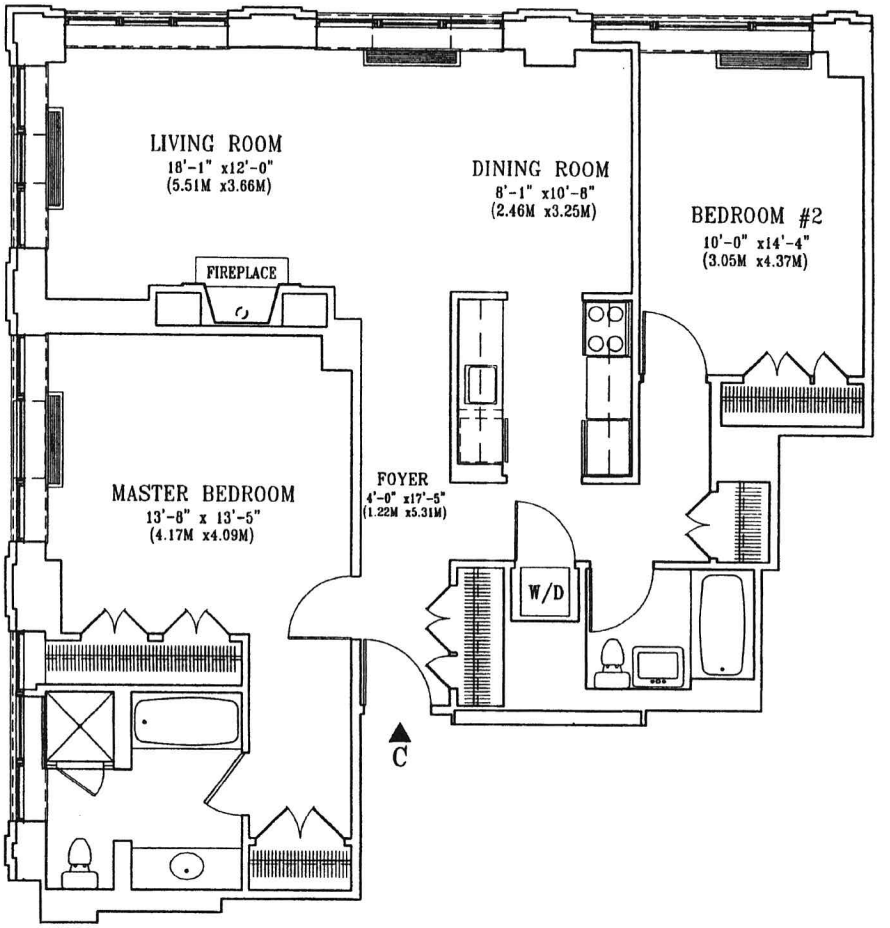
RESIDENCE A
FLOORS 16 AND 17

3 BEDROOMS
3 BATHS
AREA = 1,593 SF
148.05 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-87



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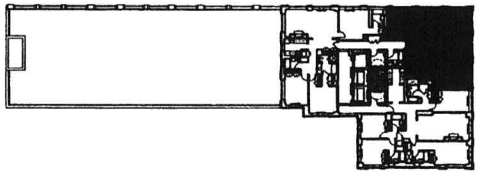


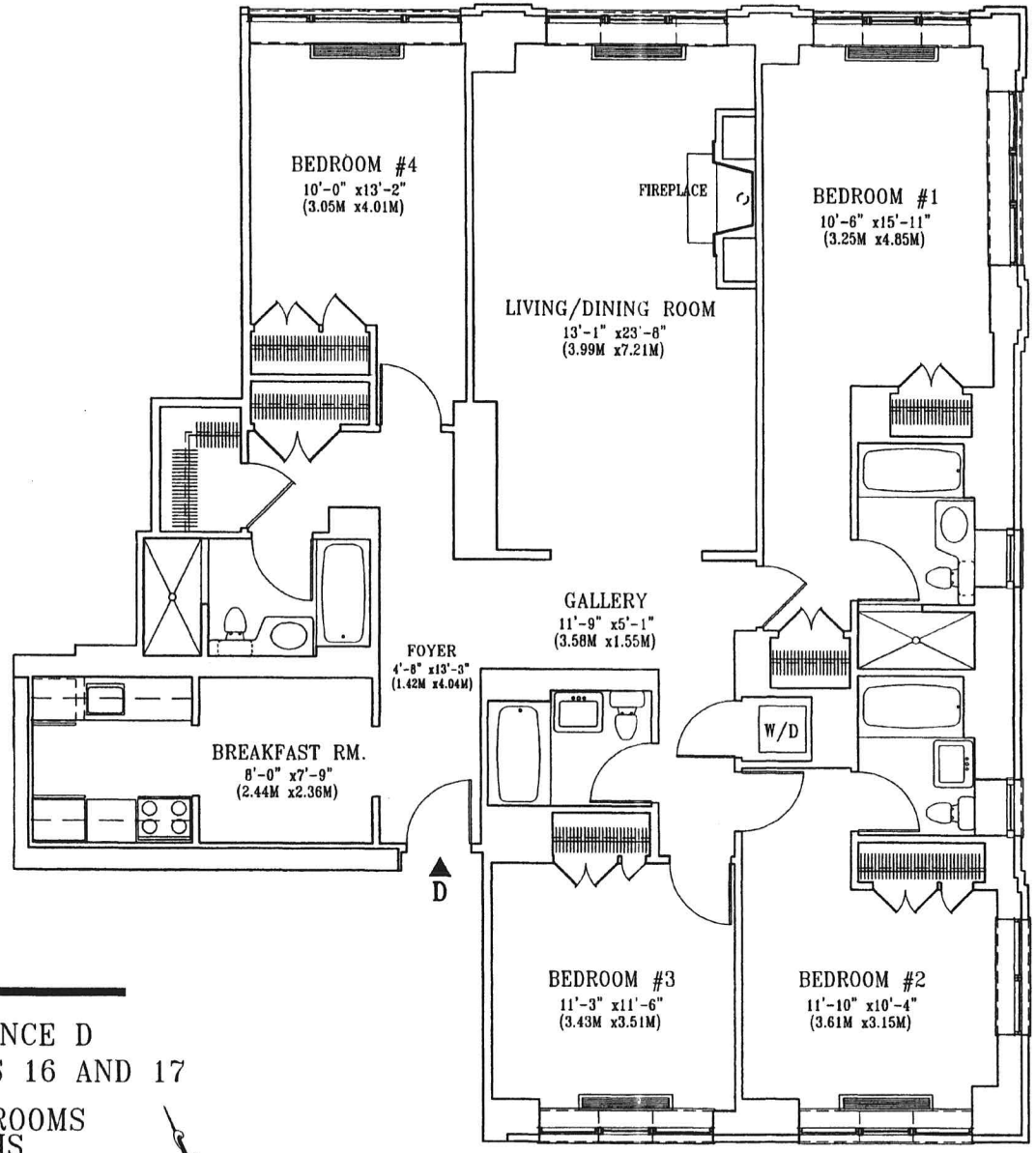
RESIDENCE C
FLOORS 16 AND 17

2 BEDROOMS
2 BATHS
AREA = 1,271 SF
118.12 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-88



SCALE:
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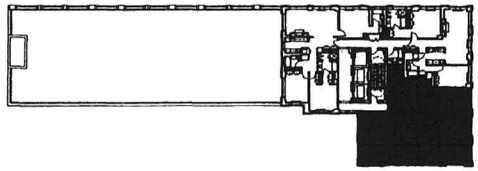


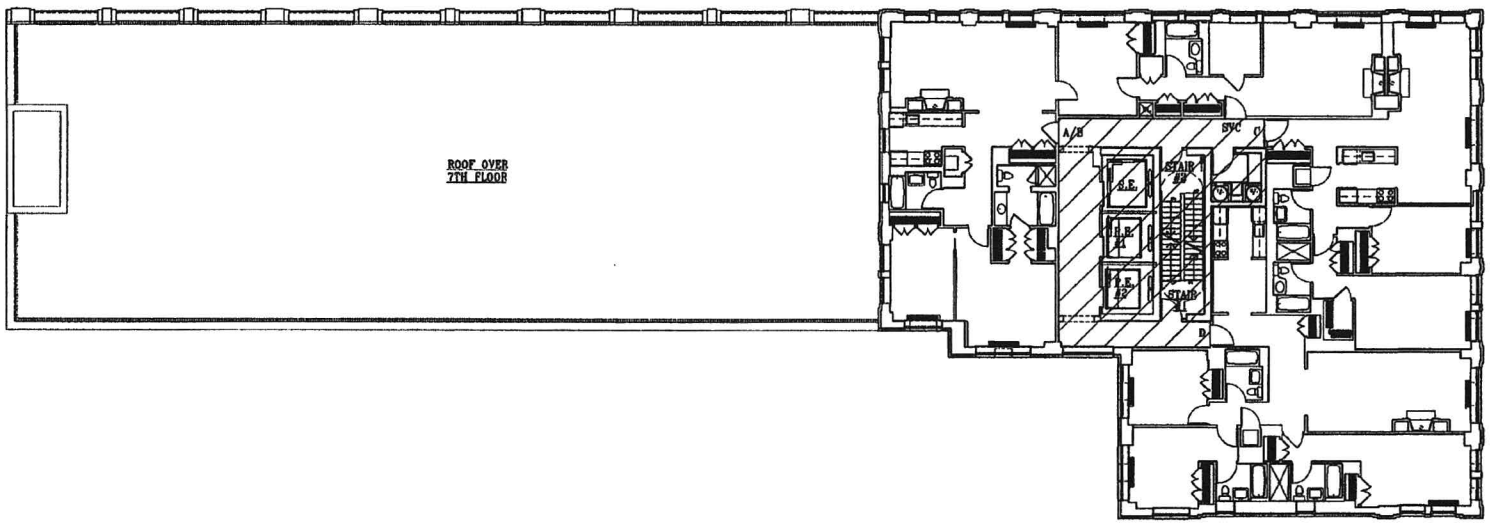
RESIDENCE D
FLOORS 16 AND 17

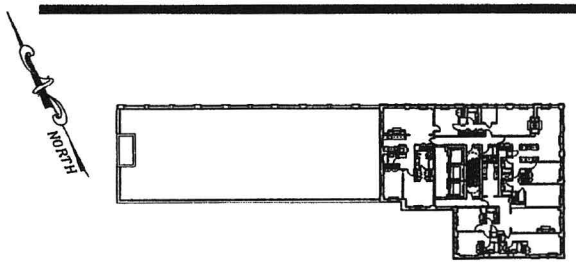
4 BEDROOMS
4 BATHS
AREA = 1,889 SF
175.56 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-89





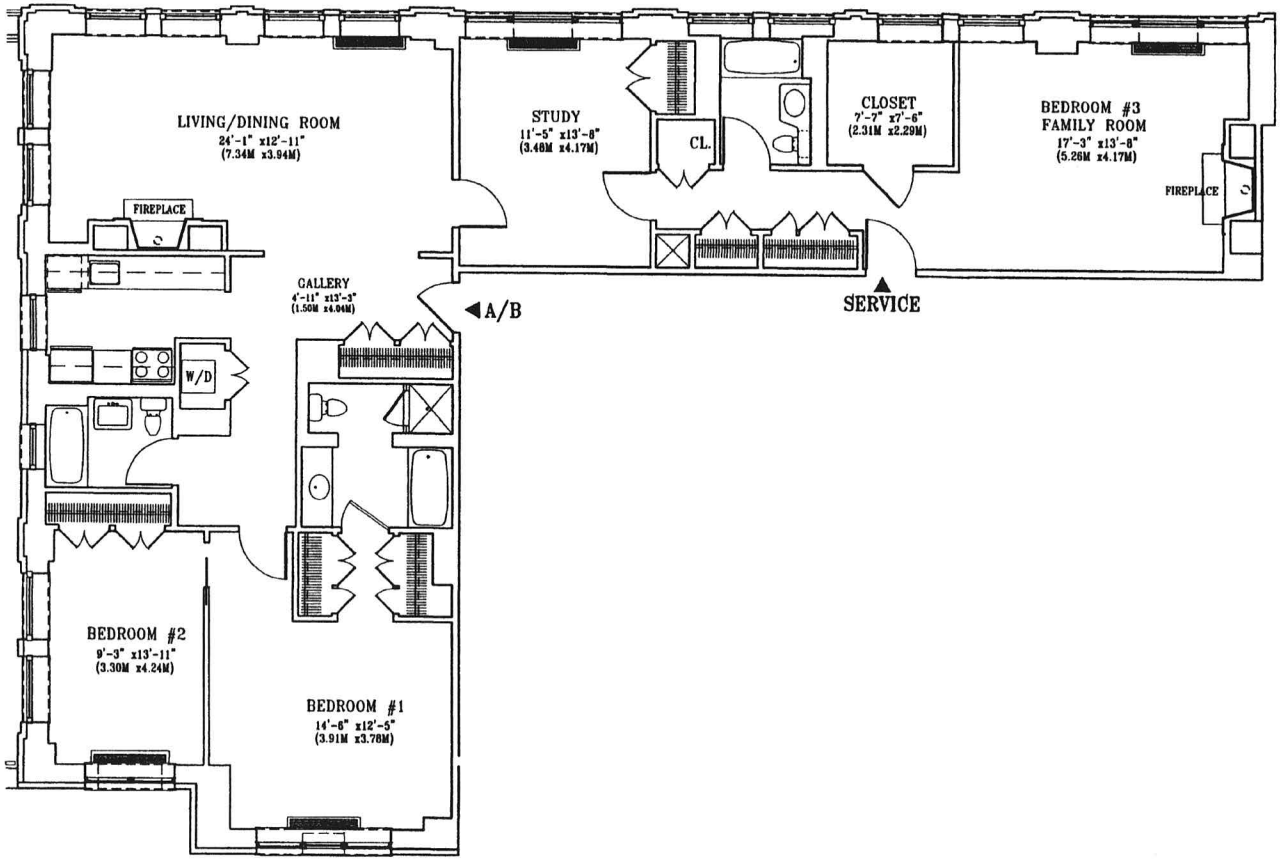
EIGHTEENTH FLOOR

RESIDENTIAL UNITS

RESIDENTIAL COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-90



SCALE:
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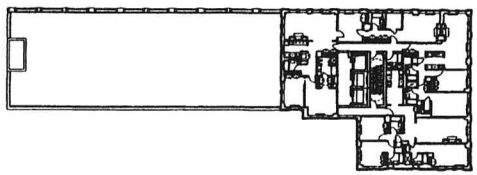


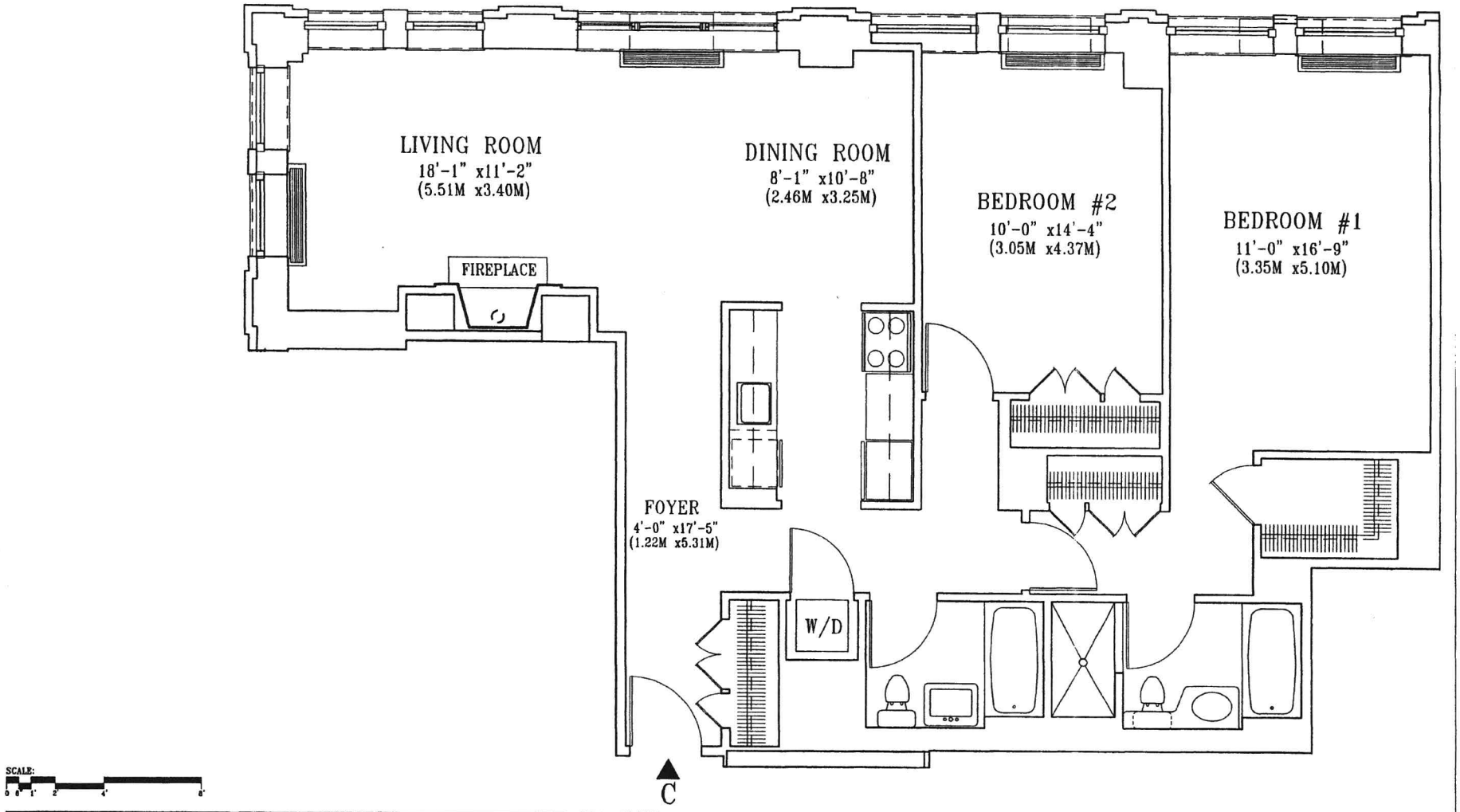
RESIDENCE A/B
FLOOR 18

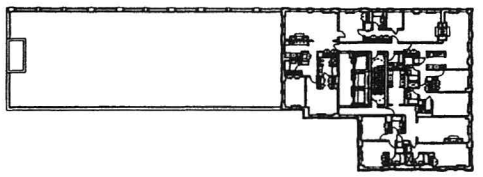
3 BEDROOMS
STUDY
3 BATHS
AREA = 2,012 SF
186.99 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-91





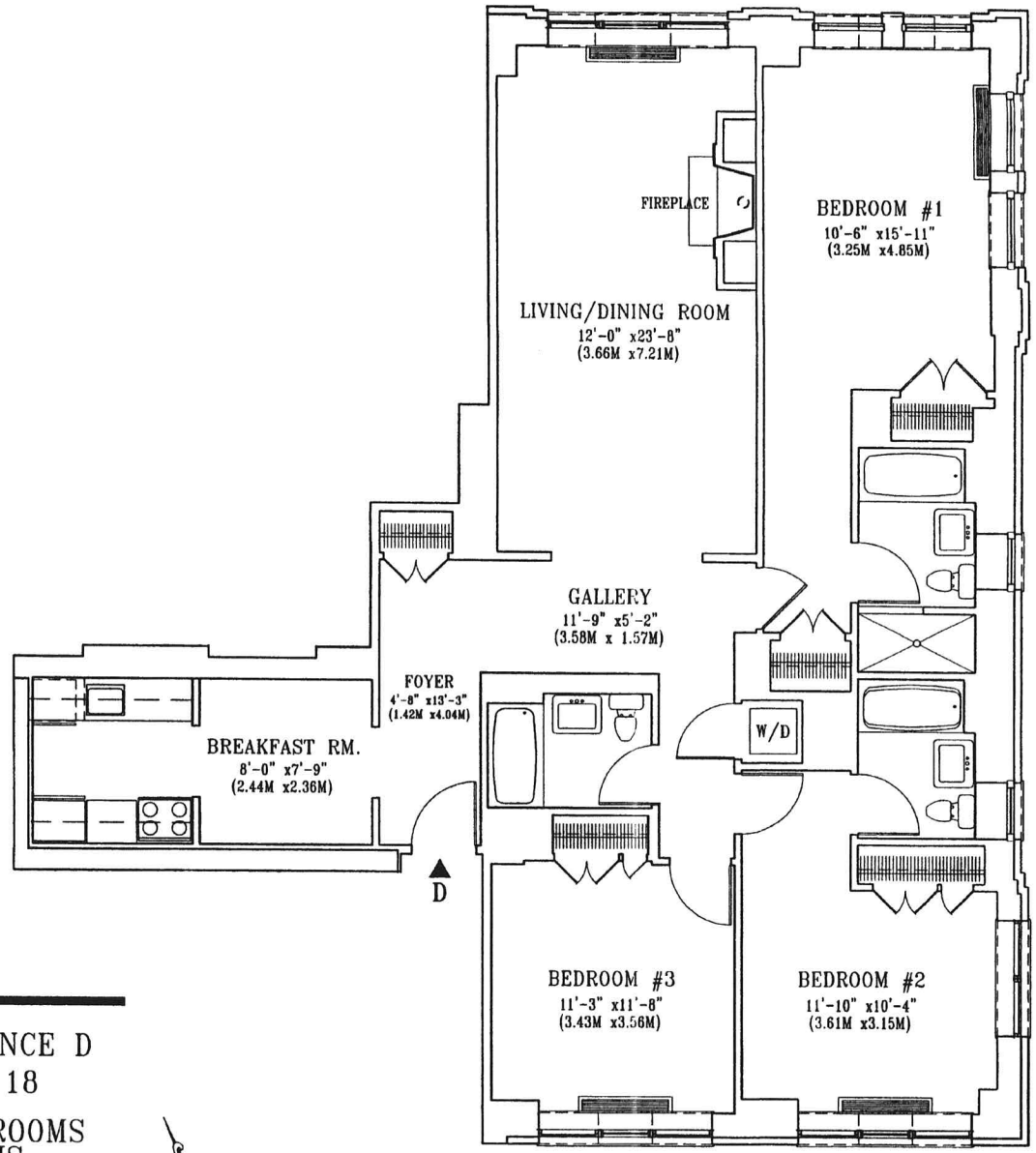
RESIDENCE C
FLOOR 18

2 BEDROOMS
2 BATHS
AREA = 1,236 SF
114.87 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-92



SCALE:
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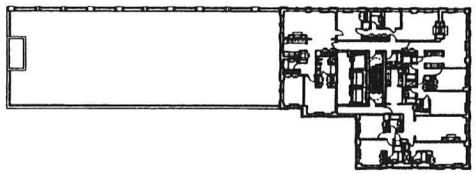


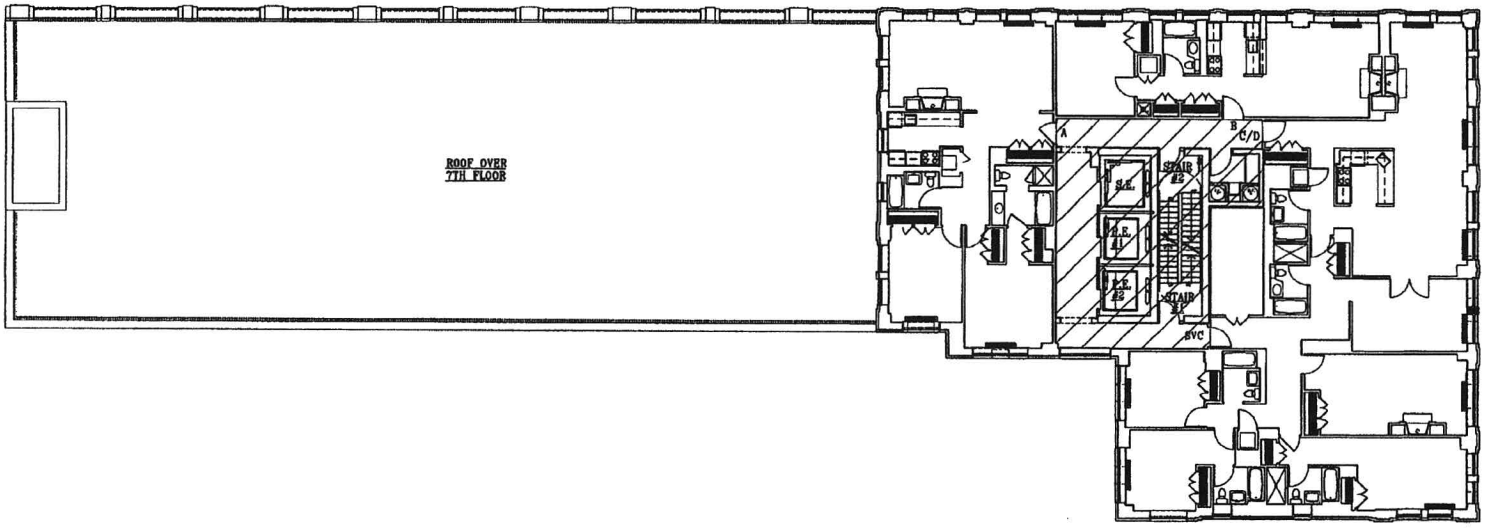
RESIDENCE D
FLOOR 18

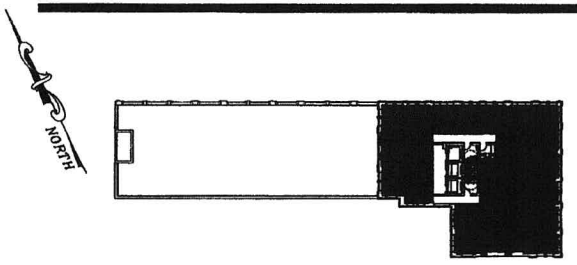
3 BEDROOMS
3 BATHS
AREA = 1,523 SF
141.54 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-93





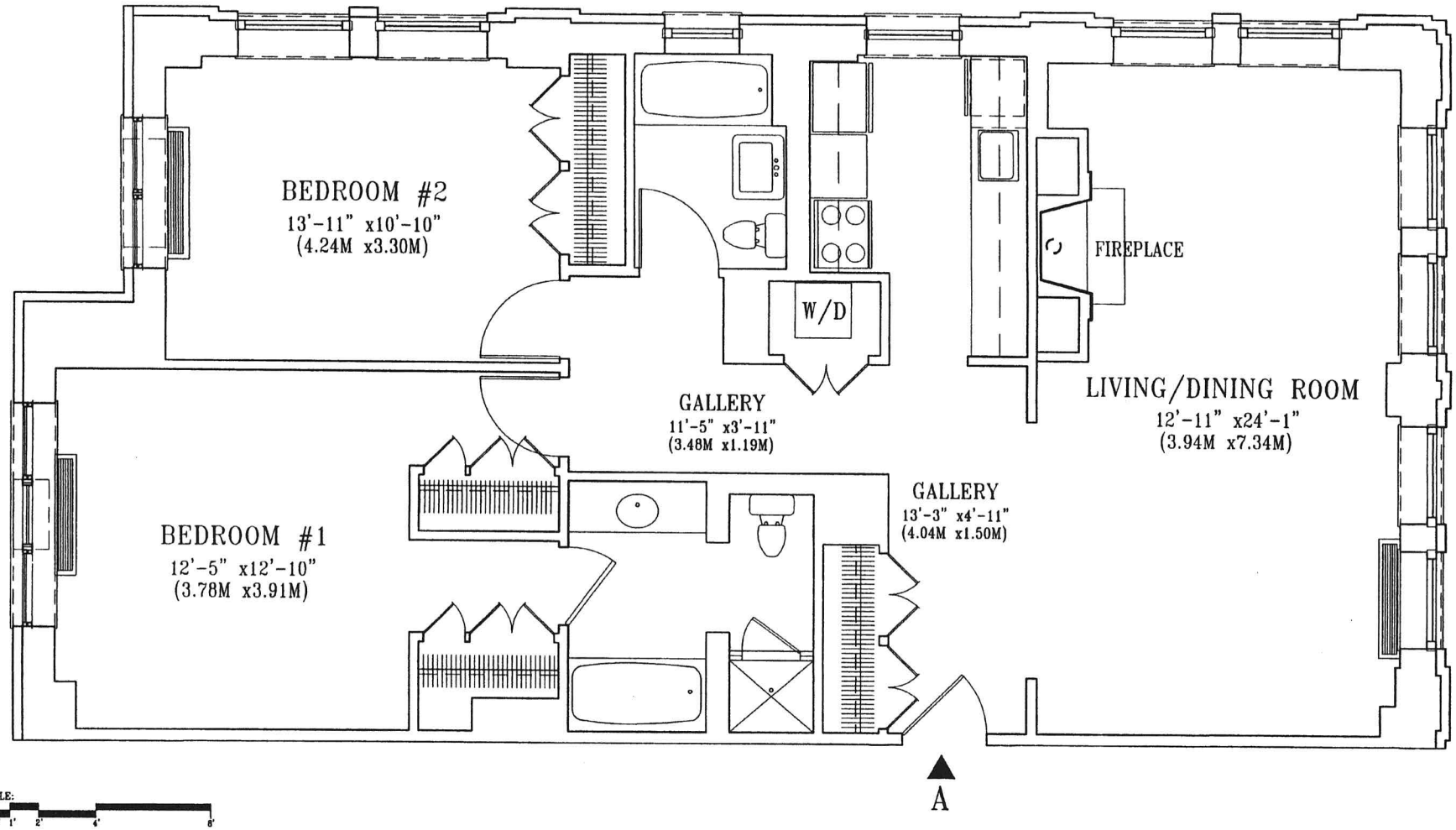
PENTHOUSE

RESIDENTIAL UNITS

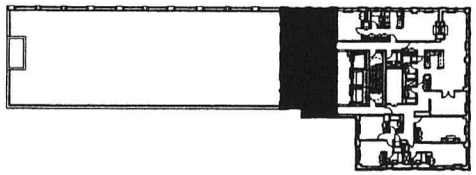
RESIDENTIAL COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-94



SCALE:
0 6" 1' 2' 4' 8'



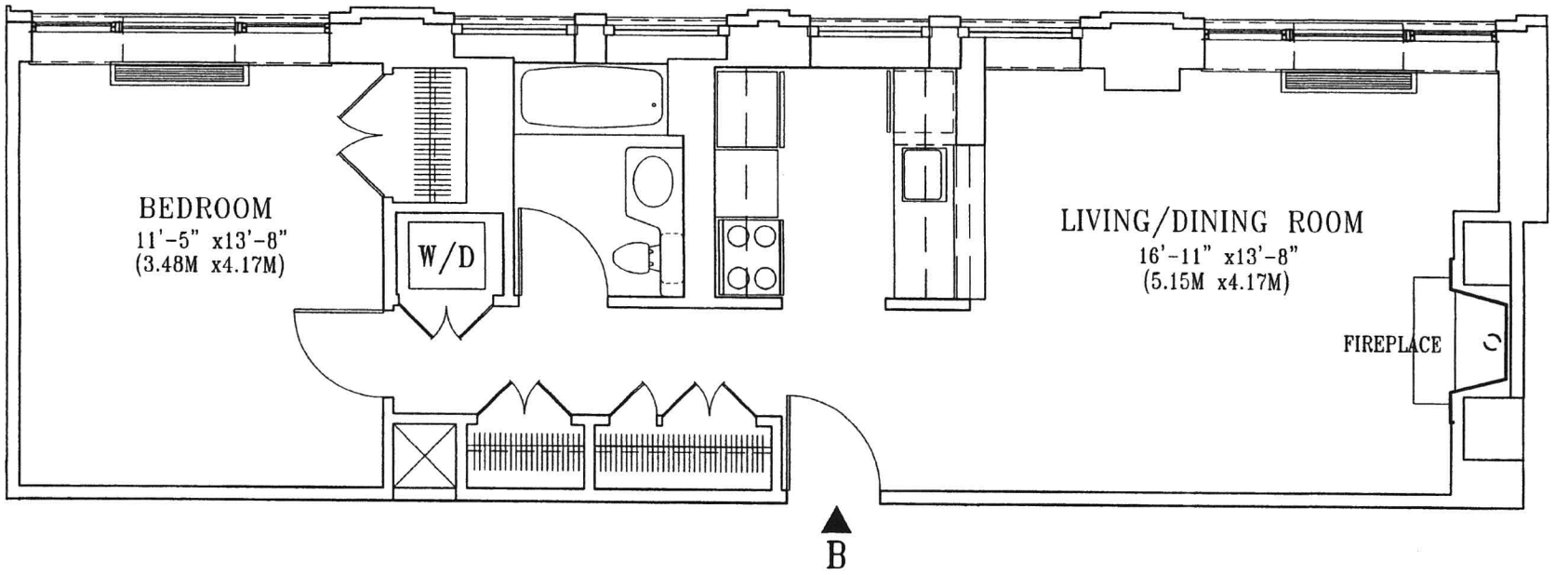
RESIDENCE A
FLOOR PH

2 BEDROOMS
2 BATHS
AREA = 1,277 SF
118.68 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-95



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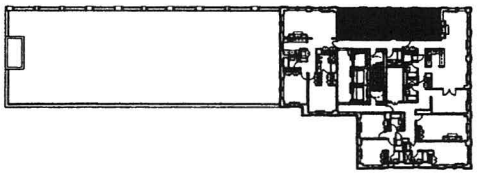


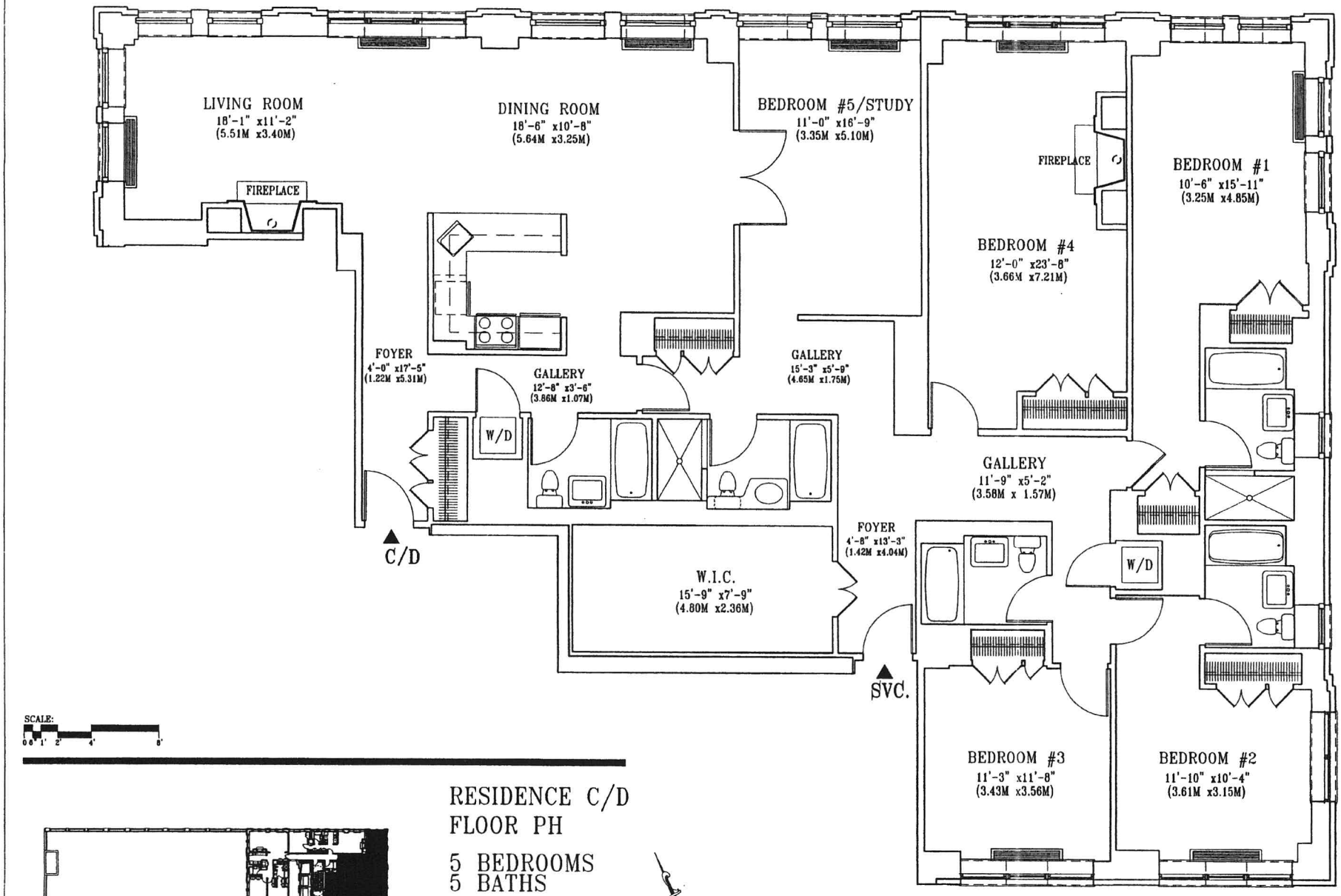
RESIDENCE B
FLOOR PH

1 BEDROOM
1 BATH
AREA = 735 SF
68.31 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-96



RESIDENCE C/D
FLOOR PH

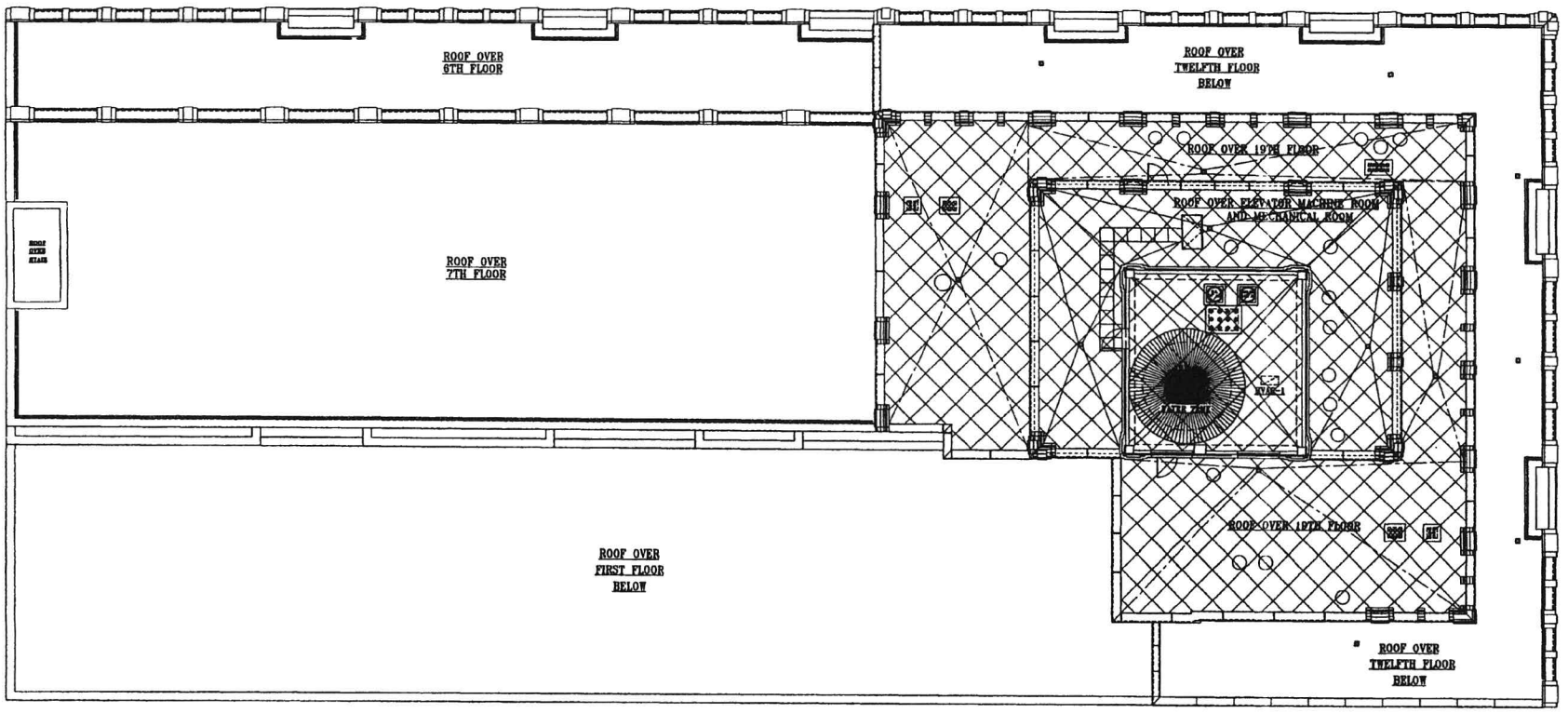
5 BEDROOMS
5 BATHS
AREA = 2,758 SF
256.32 SM

NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

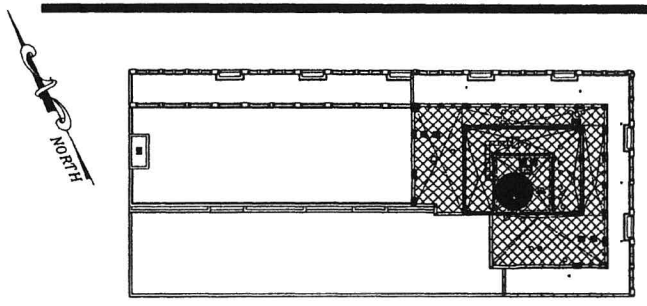
WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-97

EAST 82ND STREET



FIRST AVENUE

304



ROOF

GENERAL COMMON ELEMENTS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

WELLINGTON FEE.LLC 350 EAST 82nd STREET N.Y., N.Y.	DEC. 2004	A-98

LOCAL LAW 11 REPORT

For official use only

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:** n/a ☐ **Subsequent filing - Indicate Initial filing date:** _____

☐ **Amended Filing - Indicate Initial unsafe filing date:** _____

2. Location

Borough Manhattan	**Block** 1544	**Lot(s)** 30	**BIN** 1802632
House No(s). 350	**Street Name** East 82nd Street		**Zip** 10028
A.K.A address(es) 1573 First Avenue			**Community Board No.** 108

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: 18 Landmark Building: Yes: ☐ No: ☑ Landmark District: Yes: ☐ No: ☑

Exterior Wall Type:
Brick masonry with exposed concrete eybrows

5. Professional

Last Name Tooman	First Name Craig		M.I. L.
Business Name Cutsogeorge Tooman & Allen Architects, P.C.			
Business Phone (212) 243-7404	E-Mail Address ctooman@cta-architects-nyc.com		
Address 151 West 26th Street, 8th Floor	City New York	State NY	ZIP 10001
☐ P.E ☑ R.A	NYS License. No. 23615		

6. Owner of Record (Not a Representative or Building Manager)

Last Name Rosen	First Name Aby		M.I.
Business Name Wellington Fee LLC			
Business Phone (212) 308-1000	E-Mail Address		
Address 393 Park Avenue, 3rd Floor	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):

Craig Tooman

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.

Professional's Signature / Date 12/6/06

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.

Aby Rosen

Signature Date

See TR-6 Instructions on Reverse side

CUTSOGEORGE
TOOMAN &
ALLEN
ARCHITECTS, P.C.

6th CYCLE REPORT ON THE CRITICAL EXAMINATION OF THE EXTERIOR WALLS AND APPURTENANCES IN COMPLIANCE WITH LOCAL LAW 11 OF 1998

350 EAST 82ND STREET

Block 1544
Lot 30
5 August 2005

OWNER
Wellington Fee LLC
C/o Jordan Cooper & Associates
7 Penn Plaza, 14th Floor
New York, New York 10001

MANAGING AGENT
Mr. Paul Brensilber
Jordan Cooper & Associates
7 Penn Plaza, 14th Floor
New York, New York 10001

151 West 26th Street, 8th Floor, New York, New York 10001
T: 212 243-7404 F: 212 243-7480
www.cta-architects-nyc.com

TABLE OF CONTENTS

I. Property Information
II. Summary of Findings & Recommendations
III. Methods used to Conduct Inspection
IV. Description of the Inspected Building
V. Report of Findings
VI. Professional Seal and Signature with Date
VII. Appendices

I. PROPERTY INFORMATION

Building Address:	350 East 82nd Street, or 1573 First Avenue, or 338-354 East 82nd Street, or 1569-1571 First Avenue New York, New York 10028
Location from Nearest Cross Street:	Located on the southwest corner of the intersection between East 82nd Street and 1st Avenue.
Block Number:	1544
Lot Number:	30
BIN:	1802632
Building Owner:	Wellington Fee LLC C/o Jordan Cooper & Associates 7 Penn Plaza, 14th Floor New York, New York 10001 212 613 4602
Building Manager:	Mr. Paul Brensilber Jordan Cooper & Associates 7 Penn Plaza, 14th Floor New York, New York 10001 212 613 4602

II. SUMMARY OF FINDINGS & RECOMMENDATIONS

a. Visual observations were made of the facades of the north, east and west elevations, as outlined in Section III below, as well as exterior appurtenances, not limited to marquees, light fixtures, signs, parapets, copings, guard rails, windows (including hardware and lights), and their attachment to the building's exterior, roof level bulkheads, and any wall located more than 12" from the exterior wall of an adjacent building.

b. The building is classified as noted below:

Safe with a Repair and Maintenance Program

III. METHODS USED TO CONDUCT INSPECTION

a. The inspection team was headed by Craig Tooman R.A.

b. Hanging scaffolds were provided by Total Structural Concepts, 9 Kristi Court Greenlawn, New York 11740. 631 757 0622

c. Inspections were conducted between 7 June and 23 June 2005.

d. Close up examination of the representative sample of a façade at a street elevation was conducted via hanging scaffold located at the center of the façade at First Avenue (east elevation). The location of the scaffold inspection is depicted graphically in the drawing appendix. Sound testing of exposed portions of concrete and masonry was performed at locations along this scaffold drop. Areas of concrete were sound tested by striking the surface with a small hammer.

e. The required examination of the representative sample of the front wall was conducted at the east elevation, along a continuous path 20' wide at the center of the façade from grade to roof level.

f. The overview of the remaining facades and portions thereof was obtained using photographs and binoculars from vantage points at the street level and at the building roofs. Therefore, the accuracy of the report is limited to that which could be reasonably expected under such circumstances.

IV. DESCRIPTION OF THE INSPECTED BUILDING

A. Building Description:

1. Type of exterior wall construction: Brick masonry cavity wall construction

2. Approximate age of structure: 6 years

3. Landmark status: Not a landmark or in a land marked district

4. Number of stories: 18

5. Approximate plan dimensions: 225' x 102'

6. All appurtenances: Setbacks, Bulkhead, Parapets & Copings, Fenestration, Window Sills, Window Lintels, Marquees, Exterior Light Fixtures, Exterior Signs, Unit Air Conditioners and Trellises.

7. Occupancy and Certificate of Occupancy number: Mixed use (residential and commercial) C.O. No.: 116328 (Temporary)

B. PLOT PLAN:





PHOTO #1
Partial south and west elevations.



PHOTO #2
Partial south and west elevations.

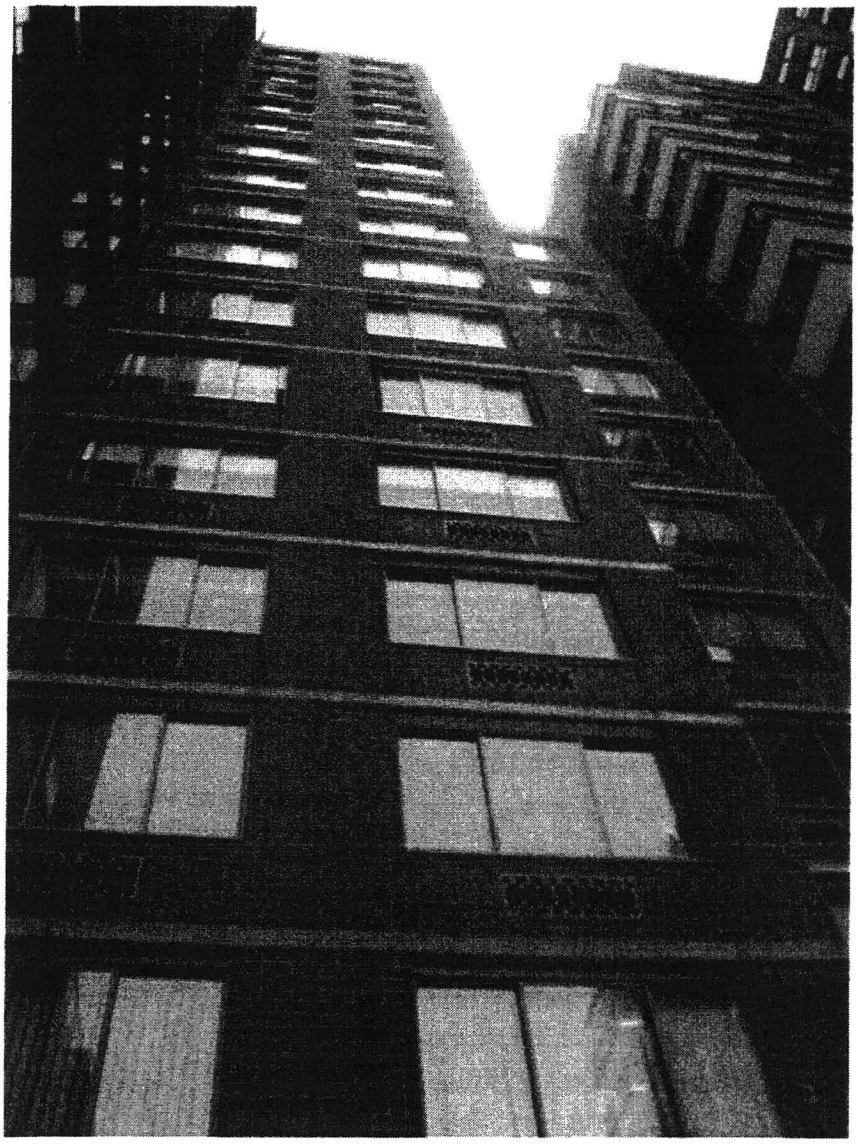


PHOTO #3
Partial west elevation.



PHOTO #4
Partial west elevation.



PHOTO #5
Partial north elevation.

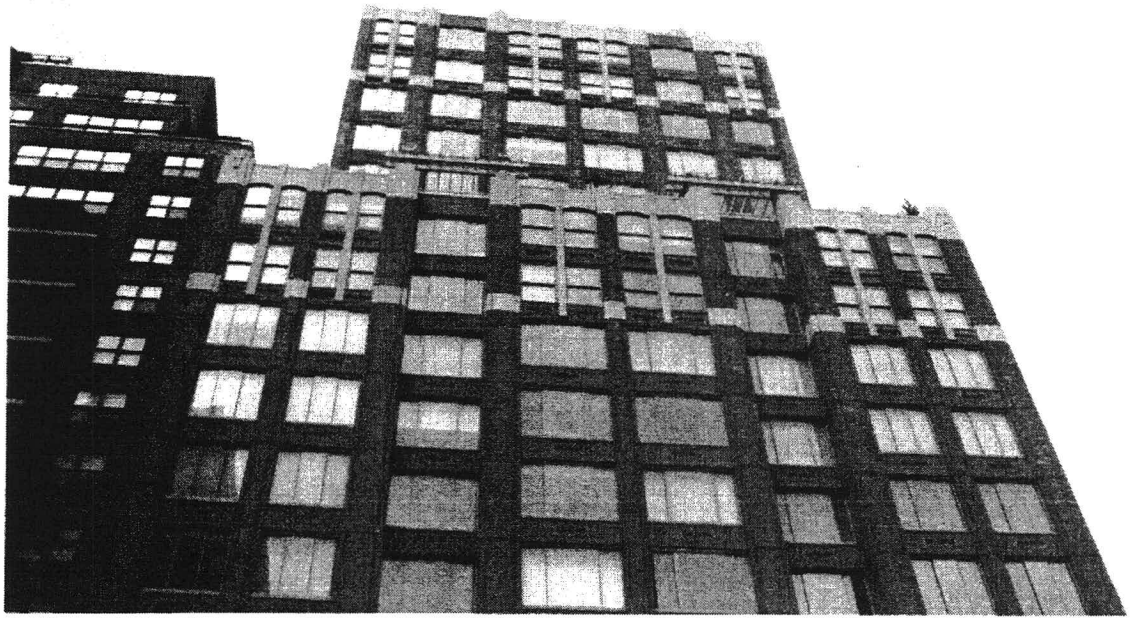


PHOTO #6
Partial east elevation.

V. REPORT OF FINDINGS

A. REPORT REVIEW

1. The certificate of occupancy for this building is dated 1999 and therefore there was no report filed in the previous local law cycle.

2. There were no exterior repairs or alterations filed at the Department of Buildings over the period since the previous local law cycle.

B. BUILDING FEATURES

1. General wall construction:

a. Description: The walls are composed of a single exterior wythe of red (jumbo) brick masonry tied into a CMU backup wall with a cavity between them. Concrete floor slabs are exposed at the south elevation and south portion of the west elevation. Shelf angles support the masonry at the other elevations.

b. Comments: The walls of the building are generally in good condition. Several areas of deterioration exist throughout the building. The following conditions are Safe with a Repair and Maintenance Program:

Item #1 - A cracked masonry joint was observed at the window head at the 6th floor at the east (First Avenue) elevation (Photo #7). The masonry around the crack was sound tested and a slight movement of the adjoining masonry unit was observed. The masonry unit is held firmly in place at the window head by the window frame, adjacent masonry and sealant at the window frame and directly above the masonry unit.

Item #2 - Cracked mortar joints were observed at the 7th floor at the east elevation (Photo #8). The adjacent masonry units were sound tested and a hollow sound was produced when the units were struck.

Item #3 - A deteriorated mortar joint was observed at the 17th floor at the east elevation (Photo #9). The adjacent masonry units were sound tested and a hollow sound was produced when the units were struck.

Item #4 - Cracking was observed at the main roof slab edge and the third floor slab edge at the south elevation (Photo #10 & 11).

Item #5 - Excess mortar from the masonry work at the parapets was deposited onto slab edges of the main and eight floor roofs at the south elevation (Photo #12 & 13).

2. Ornamentation:

a. Description: The base blocks and cap stones at the first and second floors and at the building parapets are of a decorative motif.

b. Comments: The cast stone at the building is in good condition. No deterioration was observed.

3. Setbacks:

a. Description: The setbacks form terraces that are located at the 7th and 14th floors at the north elevation and at the 14th at the east elevation.

b. Comments: No deterioration was observed.

4. Bulkheads:

a. Description: One centrally located bulkhead of brick masonry is located at the main roof.

b. Comments: The bulkhead masonry is in good condition. No deterioration was observed.

5. Parapets & Copings:

a. Description: Multiple wythe masonry parapets with cast stone copings are located at the second floor roof, eight floor roof, main roof and at the terraces at the 7th and 14th floors. Metal tube guardrails are bolted to the inboard parapets at the roofs and metal rails with glass panels are found at the terraces.

b. Comments: No deterioration was observed.

6. Fenestration:

a. Description: Windows are sliding windows composed of a light gauge metal frame.

b. Comments: No deterioration was observed.

7. Window Sills:

a. Description: Sills are composed of a light gauge metal and are integral with window frame.

b. Comments: No deterioration was observed.

8. Window Lintels:

a. Description: Metal lintels support the masonry above the window openings.

b. Comments: No deterioration was observed

9. Unit Air Conditioners:

a. Description: The air conditioner units are through-wall units with no projection past the face of the masonry. They are covered with decorative metal screen.

b. Comments: Two of the screens were bent out of shape. No other deterioration was observed.

10. Exterior Light Fixtures:

a. Description: Light fixtures are mounted on the south and east facades at the first floor and at the bulkhead facades.

b. Comments: No deterioration was observed.

11. Exterior Signs:

a. Description: Signs are located at the window openings of the commercial spaces at the first floor

b. Comments: No deterioration was observed.

12. Marquees:

a. Description: Marquees are located at the residential and commercial entrances at the north elevation on the East 82nd Street.

b. Comments: No deterioration was observed.

13. Trellises:

a. Description: Trellises are located at the terraces at the east and north elevations. The building wall and masonry pillars at the terrace perimeter support latticework.

b. Comments: The trellises are in good condition. No deterioration was observed.

14. Apparent Watertightness:

a. There is no reported leakage.

C. SWARMP & UNSAFE DIAGNOSIS:

There are no unsafe conditions.

The following conditions are Safe with a Repair and Maintenance Program:

Item #1 - A cracked mortar joint and the slight movement of the adjoining masonry unit were observed at the 6th floor at the east (First Avenue) elevation. The masonry unit is firmly held in place at the window head by the window frame, adjacent masonry and sealant.

Item #2 - Cracked mortar joints were observed at the 7th floor at the east elevation. The adjacent masonry units were sound tested and a hollow sound was produced when the units were struck.

Item #3 - A deteriorated mortar joint was observed at the 17th floor at the east elevation. The adjacent masonry units were sound tested and a hollow sound was produced when the units were struck.

Item #4 - Cracking was observed at the main roof slab edge and the third floor slab edge at the south elevation.

Item #5 - Excess mortar from the masonry work at the parapets is deposited onto the top portion of the slab edges at the main and eight floor roof slabs at the south elevation.

D. SWARMP - COMPARISON OF CYCLE 5 & CYCLE 6 REPORTS

The certificate of occupancy for this building is dated 1999 and therefore there was no report filed in the previous local law cycle.

E. SCHEDULE OF REPAIRS & MAINTENANCE

1. Item of work: Cut out the deteriorated mortar joint and the sealant at the perimeter of the masonry unit at the window head at the 6th floor at the First Avenue elevation. Reset brick in new mortar bed and install new perimeter sealant.

a. Recommended time frame to repair conditions and projected completion date: Within three to five years.

b. Permits required: General Construction.

2. Item of work: Sound test and remove hollow sounding bricks at the deteriorated mortar joints at the 7th and17th floors at the First Avenue elevation. Cut out all deteriorated mortar and replace bricks in new bed of mortar.

a. Recommended time frame to repair conditions and projected completion date: Within three to five years.

b. Permits required: General Construction.

3. Item of work: Sound test all exposed slab edges at the south and west elevations; square cut and remove areas of deteriorated concrete at the exposed slab edges; form and patch using a polymer-modified patching mortar.

a. Recommended time frame to repair conditions and projected completion date: Within five years.

b. Permits required: General Construction.

4. Item of work: Remove the mortar deposited along the top portion of the exposed slab edges at the eight floor and main roof slabs at the south elevation.

a. Recommended time frame to repair conditions and projected completion date: Within five years.

b. Permits required: General Construction.

VI. PROFESSIONAL SEAL AND SIGNATURE WITH DATE

A. The Architect has been retained only for the critical examination of the building walls and appurtenances, preparation and filing of this report, in compliance with the appropriate requirements of Section 27-129 of the Administrative Code of the City of New York, (Local Law 11/98). The Architect was not retained for the preparation of any design drawings and/or specifications, the filing of construction documents, for the construction administration (in accordance with AIA Document

201-1987), or for any other services except for the preparation and filing of this report. The responsibilities of the Architect are limited solely to the critical inspection, preparation, and filing of

this report, subject to the terms of the Section 27-129 and the contract between the Architect and the Owner. Nothing in this report shall be interpreted as extending the scope of the Architect's services and liability.

B. The Owner is hereby advised that (any) conditions noted as "unsafe" in this report must be corrected immediately in order to comply with the requirements of the law. The Owner is also hereby advised that Section 32-03 (b) (2) (vii) of the Rules and Regulations of the City of New York requires that "upon discovery of any unsafe condition the professional shall immediately notify the Borough Commissioner and the owner of the building by letter or by fax."

C. The Owner is strongly urged to correct all conditions noted as "safe with a repair and maintenance program" as soon as possible. Section 32-03 (a) of the Rules and Regulations of the City of New York states that "any condition which was reported as safe with a repair and maintenance program in an earlier report and which is not corrected at the time of the current inspection shall be reported as an unsafe condition."

D. The Owner must Comply with the Administrative Code of the City of New York and Technical Policy and Procedure Notice #1/99 when performing any work to address items described in this report.

E. Conditions noted in this report are as of the date of the inspection only. The condition of buildings of this type and size, as well as their appurtenances, will change over a period of time, the period required for this change varies according to each building, maintenance over the years, and overall environmental factors, etc.

F. A copy of this report must be kept by the Owner for future use.

G. The Owner is advised that all exterior building walls should be inspected on a regular basis by a Professional Engineer or a Registered Architect. The interval between inspections should not be more than one year and/or not more than the interval required by any article of law. Please note that the only inspections made in connection with the preparation of this report have been those walls and appurtenances as required by law. Therefore all other remaining walls and appurtenances should be inspected by a Professional Engineer or a Registered Architect on the regular basis as described above. However, other qualified service personnel may be permitted to perform appropriate inspections under the supervision of a licensed professional.

H. The Owner should not allow the installation of air conditioners, liners for parapets, fences, rooftop or terrace pavements, landscaping, antennae, cables, lighting, or any other appurtenances unless permission for such installation has been granted. A review by qualified personnel of the proposed installation is also recommended. The Owner is further advised to prohibit the placement of objects on exterior window sills, fire escapes, ledges, and on the top of parapets, in that such placement is potentially dangerous.

I. The Owner is advised to maintain a file of all leaks into the building and all items of exterior work performed. Roof and terrace drains should be monitored closely and should be maintained clear at all times. No repairs to the exterior walls of the building or the appurtenances should be made without the preparation of appropriate documents by a licensed professional.

The observations and recommendations contained within this report are accurate, to the best knowledge and belief of the undersigned.

Respectfully Submitted,

Craig Tooman, R.A., Principal
Cutsogeorge Tooman & Allen Architects, P.C.



VII. APPENDICES

A. Open ECB façade violations:

None

B. Photographs: Report Pages 18-24



PHOTO #7
A cracked masonry joint and the slight movement of the adjacent masonry unit were observed at the 6th floor at the east (First Avenue) elevation.

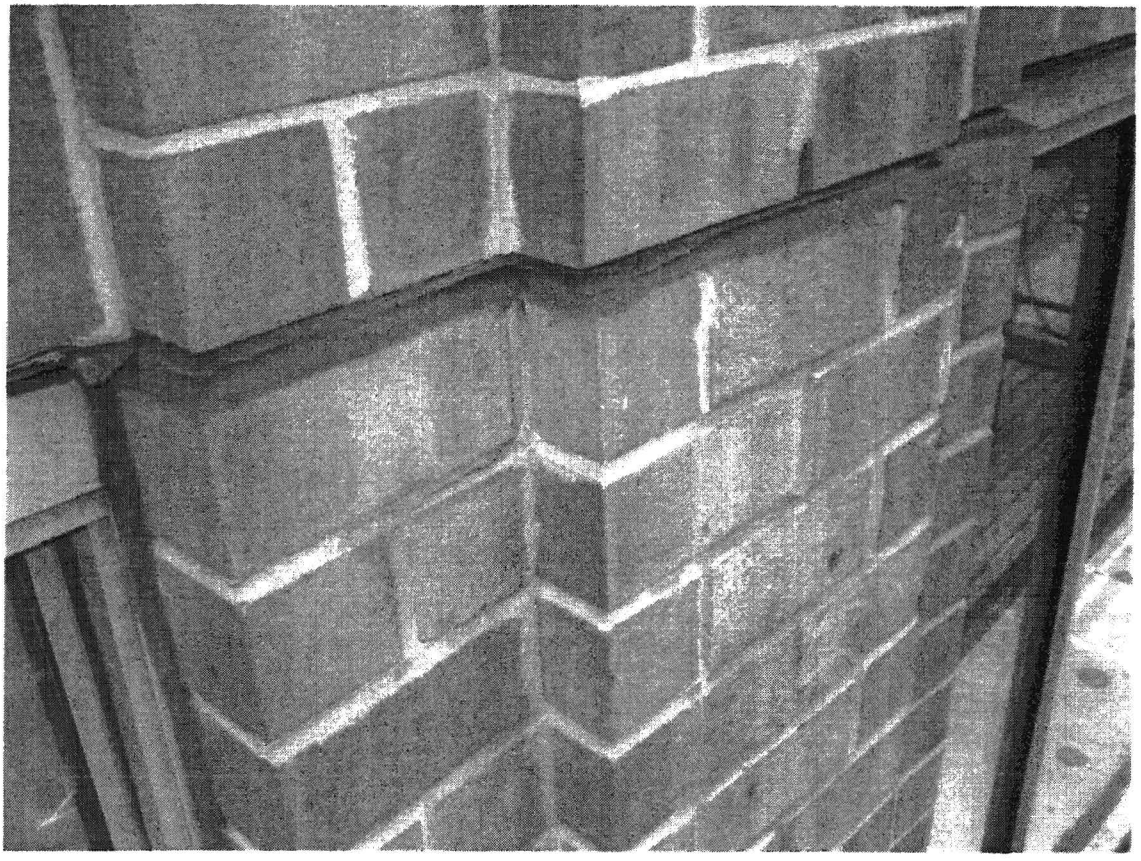


PHOTO #8
Cracked mortar joints were observed at the 7th floor at the east elevation. The adjacent masonry units were sound tested and a hollow sound was produced when the units were struck

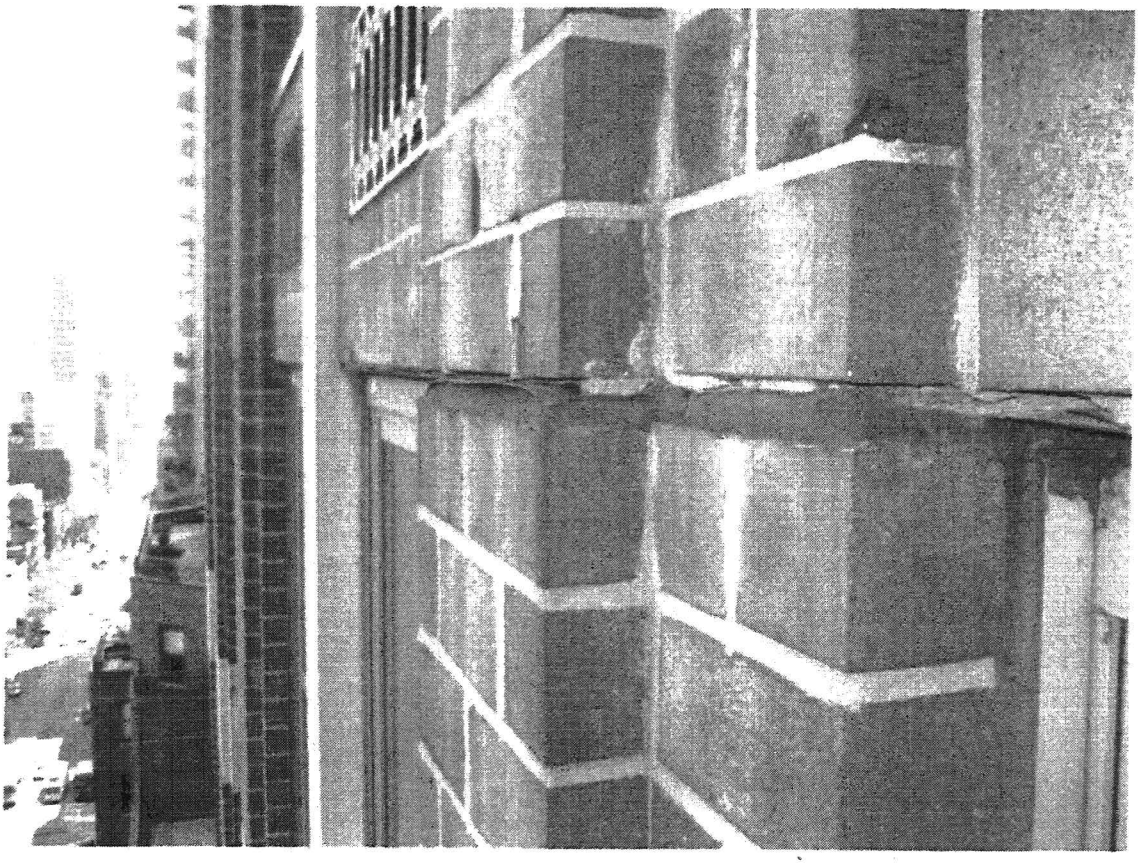


PHOTO #9
Deteriorated mortar joints and hollow sounding masonry units were observed at the 17th floor at the east elevation.



PHOTO #10
Cracking was observed at the main roof slab edge and the third floor slab edge at the south elevation.

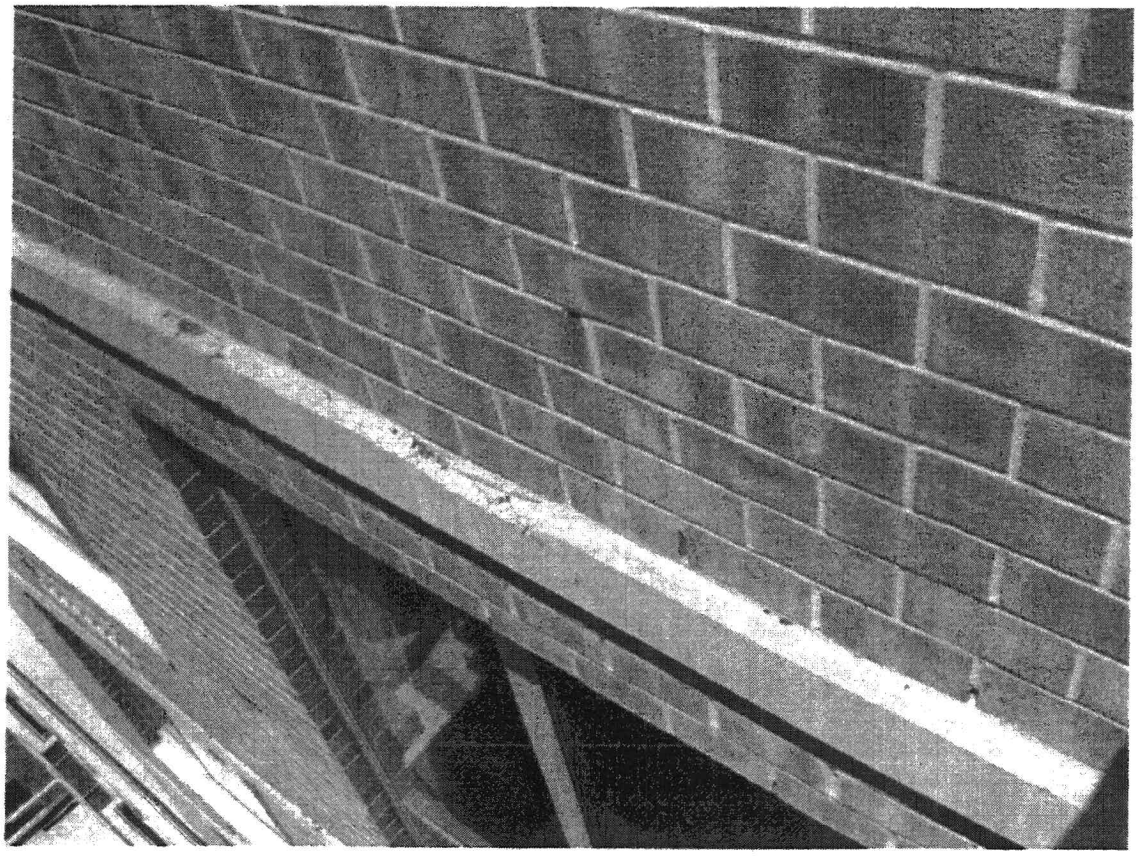


PHOTO #11
Cracking was observed at the main roof slab edge at the south elevation.

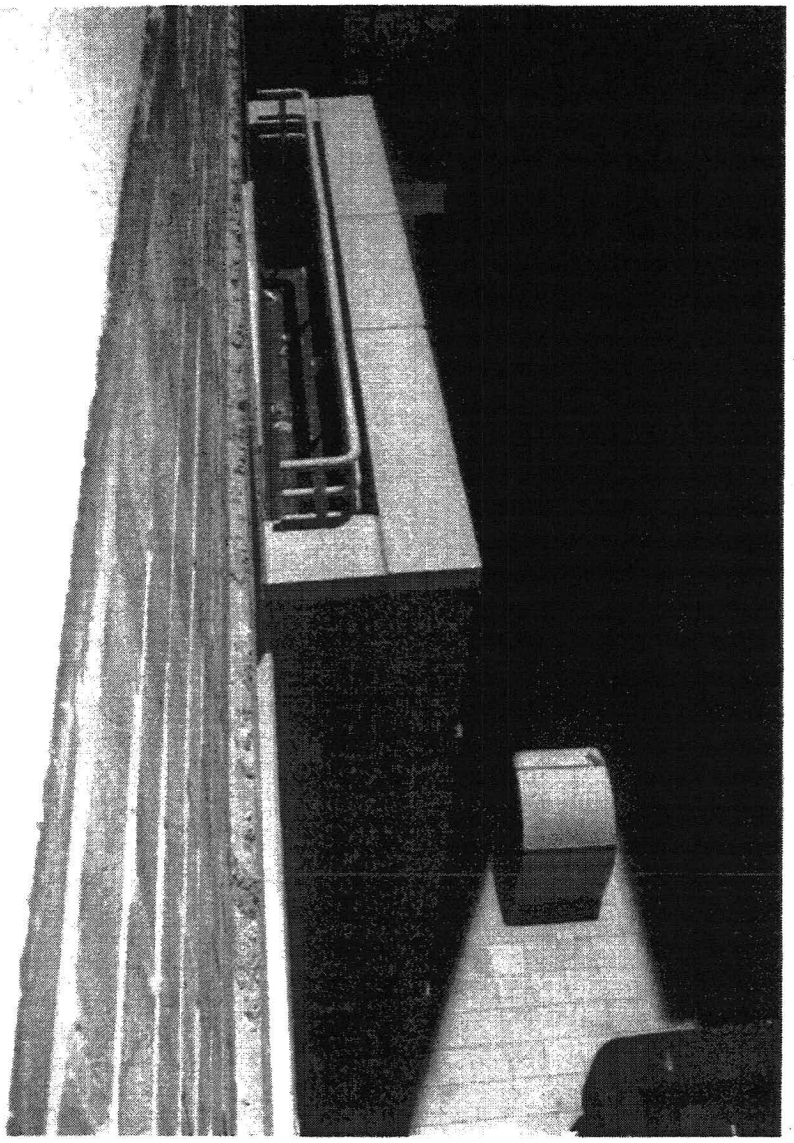


PHOTO #12
Excess mortar from the masonry work at the parapets is deposited onto the top portion of the slab edges at the eighth floor roof slab at the south elevation.

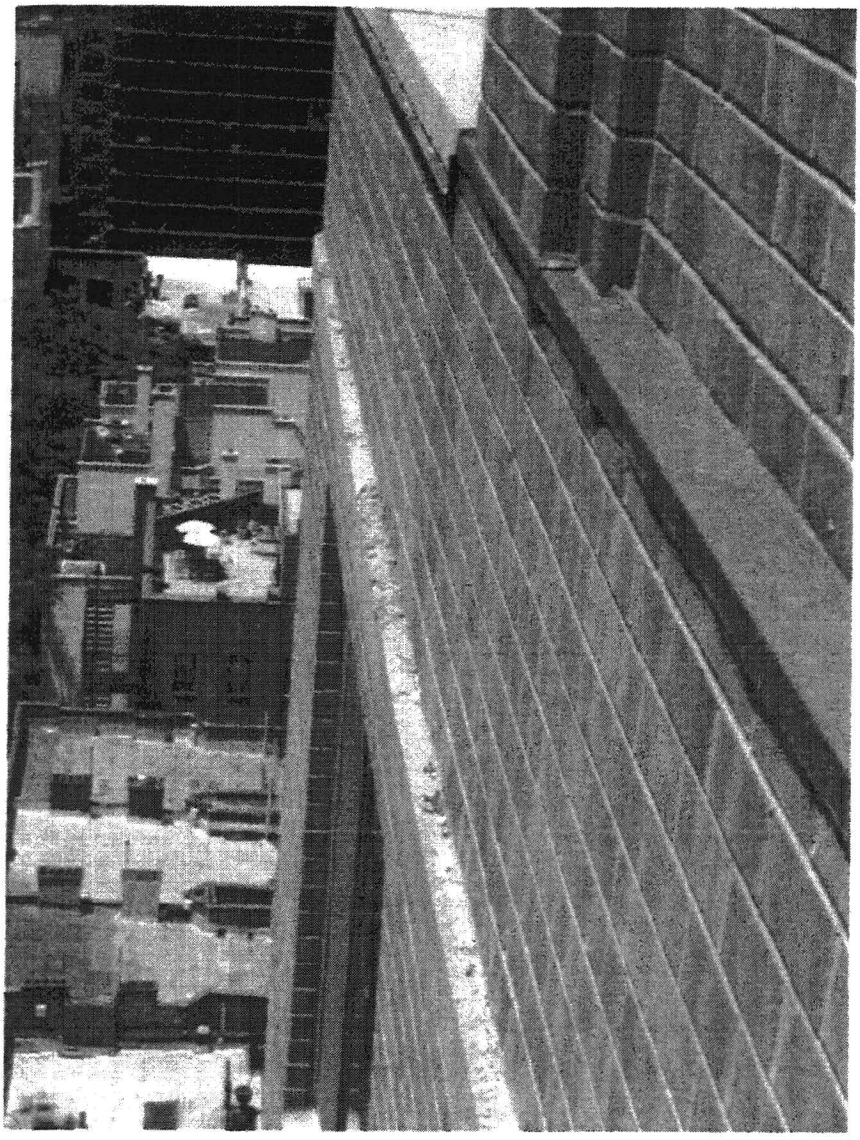
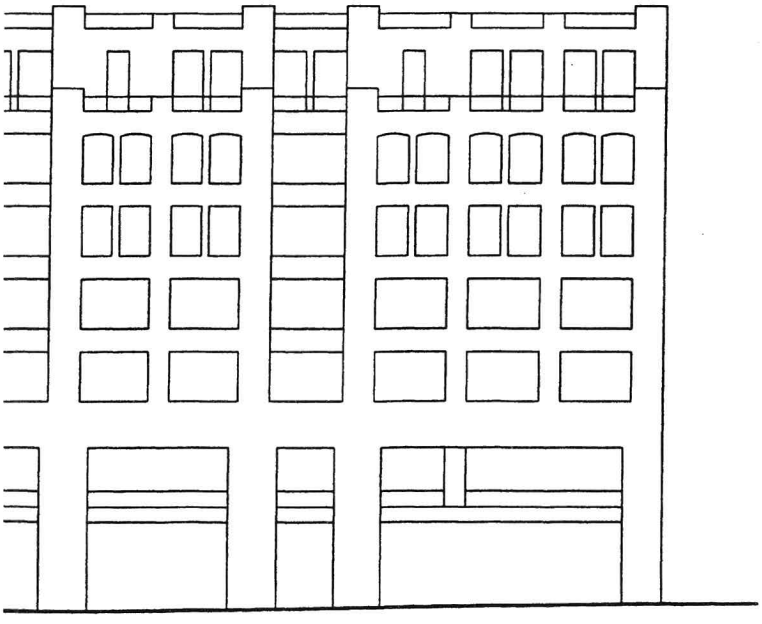


PHOTO #13
Excess mortar from the masonry work at the parapets is deposited onto the top portion of the slab edges at the main roof slab at the south elevation.

LEGEND:

- SPALLED CONCRETE OR MASONRY.
- WASHED OUT AND / OR SANDY MORTAR
- CRACKED, SPALLING, BOWING OR LEANING MASONRY.
- CRACKED, SPALLING OR SHIFTED COPING STONE.
- CRACKED CONCRETE OR MASONRY.
- LOCATION OF SCAFFOLD DROP.
- #1 LOCATION OF PHOTOGRAPH.



SCALE: 3/32" = 1'-0"

PROJECT 02062.01

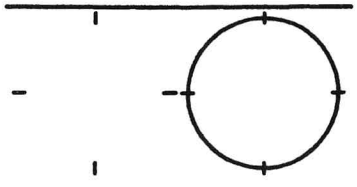
DATE REVISION NO.

KEY PLAN

CUTSOGEORGE TOOMAN & ALLEN ARCHITECTS, P.C.
151 West 26th Street, 8th Floor, New York, NY 10001-6810

OWNER:
Wellington Fee LLC
400 Park Avenue
New York, New York 10022

AGENT:
Jordan Cooper & Associates
7 Penn Plaza, 14th Floor
New York, New York 10001



LOCAL LAW 11/98 (CYCLE VI)

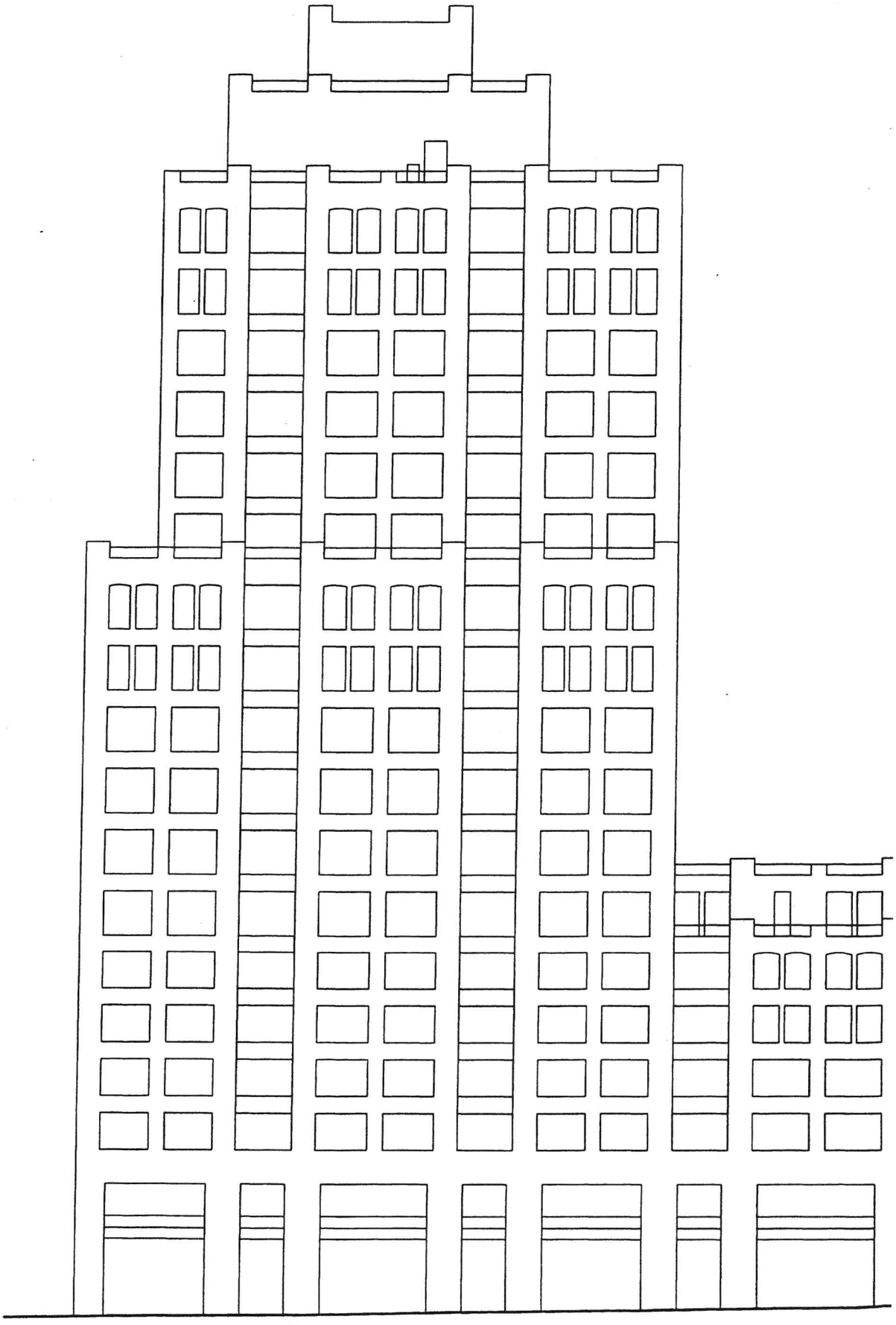
350 EAST 82ND STREET
NEW YORK, NEW YORK 10028

DRAWING TITLE:
NORTH ELEVATIONS

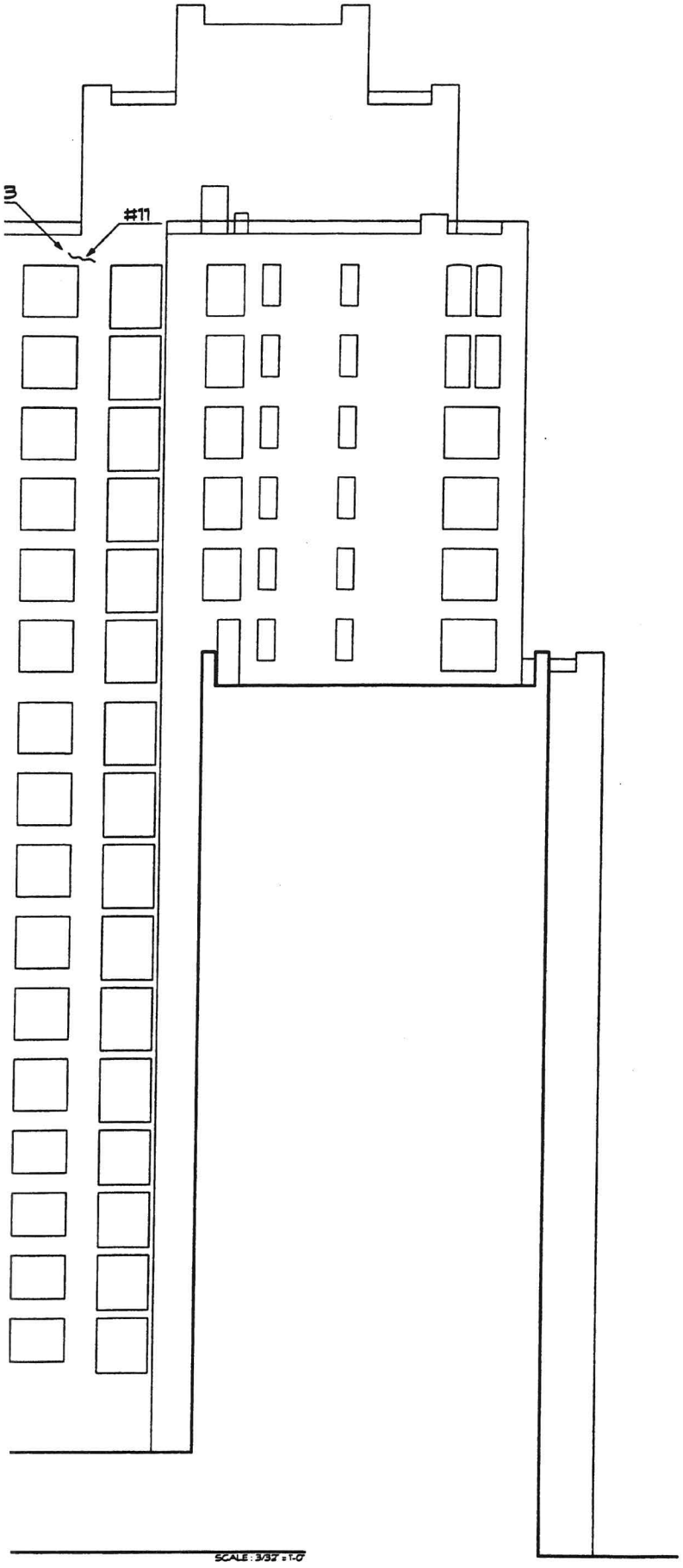
DATE: 5 AUGUST 2005

SCALE: AS NOTED

A01



1 NORTH ELEVATION



SCALE: 3/32" = 1'-0"

PROJECT 02062.01

DATE REVISION NO.

KEY PLAN

CUTSOGEORGE TOOMAN & ALLEN ARCHITECTS, P.C.
151 West 26th Street, 8th Floor, New York, NY 10001-6810

OWNER:
Wellington Fee LLC
400 Park Avenue
New York, New York 10022

AGENT:
Jordan Cooper & Associates
7 Penn Plaza, 14th Floor
New York, New York 10001

LOCAL LAW 11/98 (CYCLE VI)

350 EAST 82ND STREET
NEW YORK, NEW YORK 10028

DRAWING TITLE:
00000.00

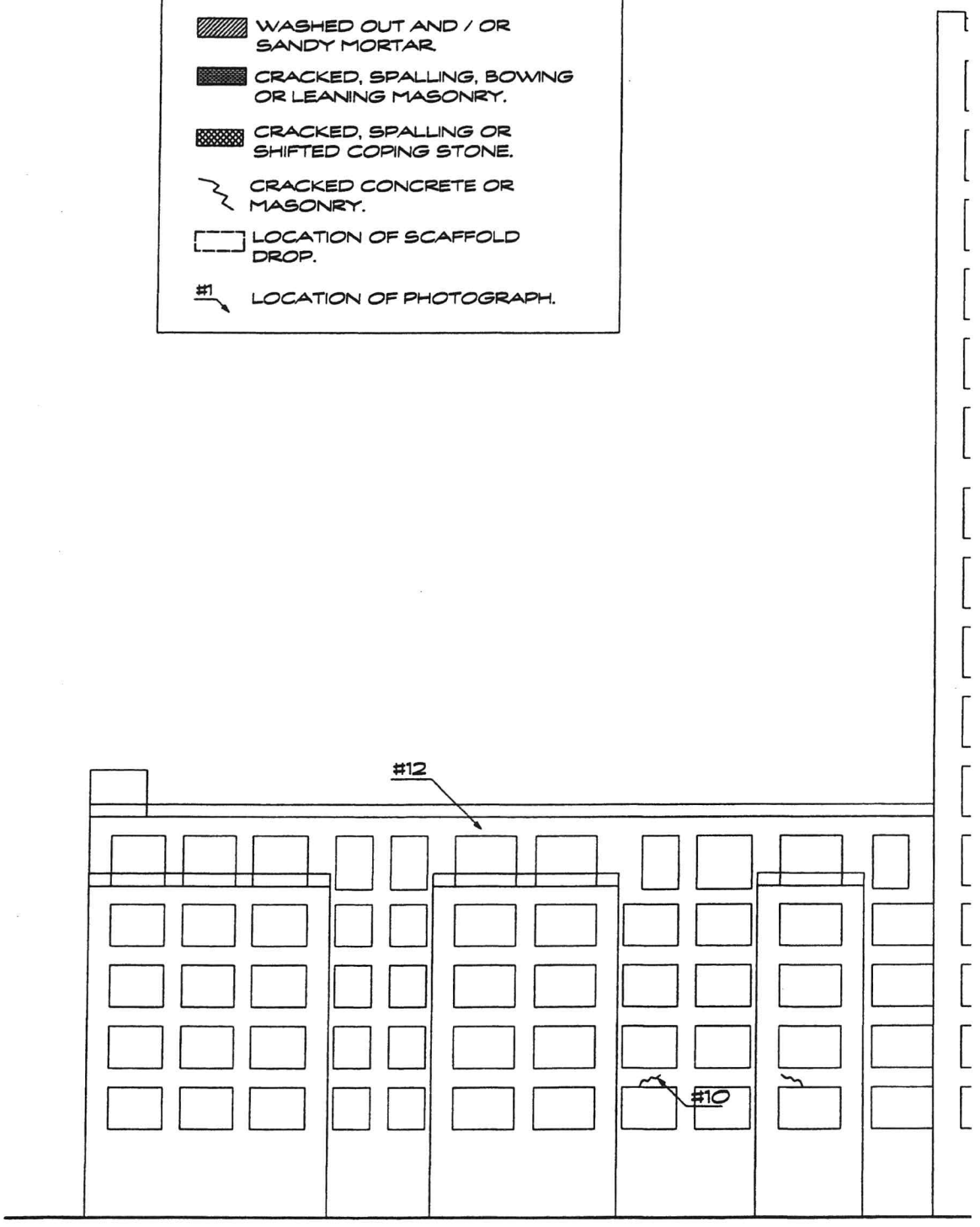
DATE: 5 AUGUST 2005

SCALE: AS NOTED

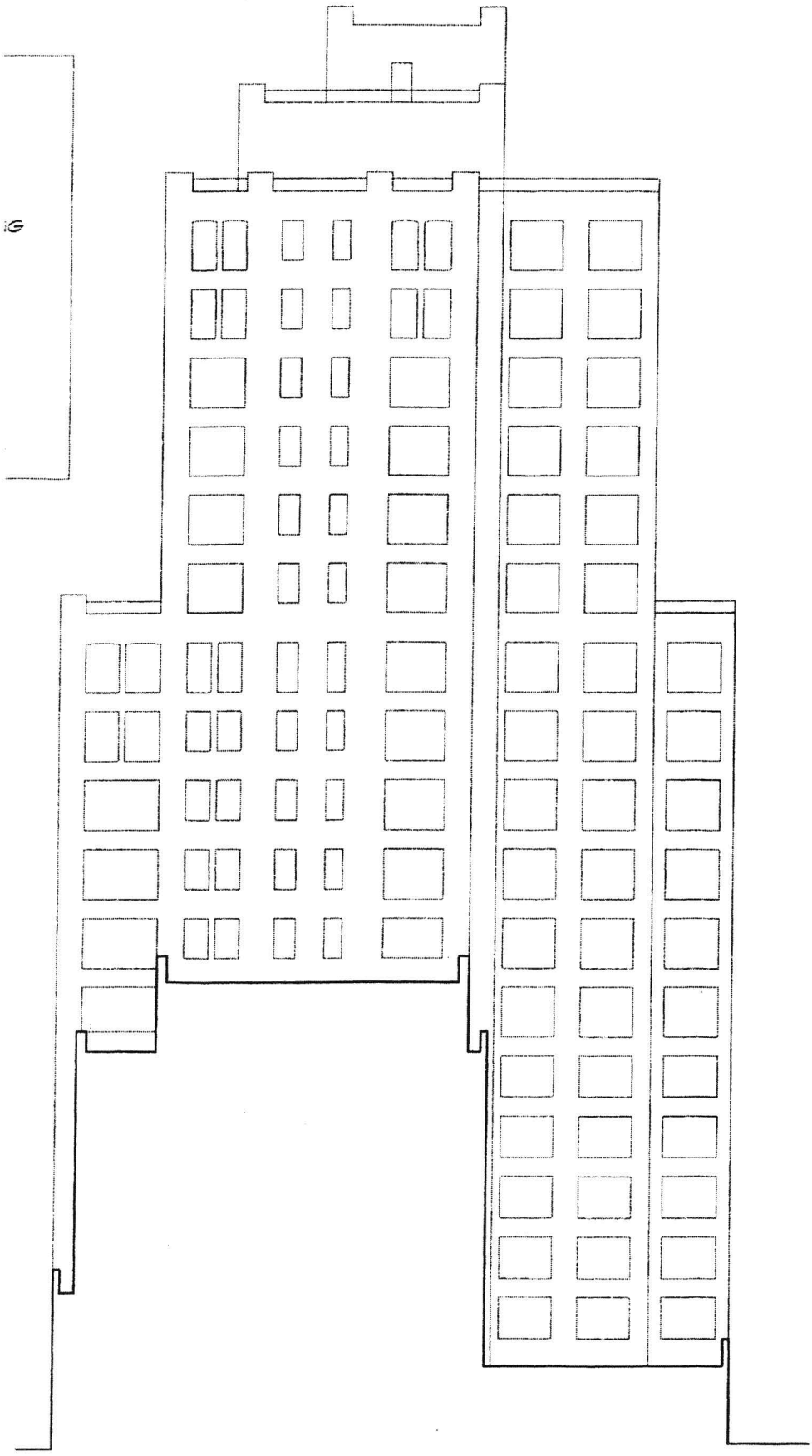
A02

LEGEND:

- SPALLED CONCRETE OR MASONRY.
- WASHED OUT AND / OR SANDY MORTAR
- CRACKED, SPALLING, BOWING OR LEANING MASONRY.
- CRACKED, SPALLING OR SHIFTED COPING STONE.
- CRACKED CONCRETE OR MASONRY.
- LOCATION OF SCAFFOLD DROP.
- #1 LOCATION OF PHOTOGRAPH.



1 SOUTH ELEVATION



2 WEST ELEVATION

SCALE: 1/32" = 1'-0"

PROJECT 020620

DATE REVISION NO

KEY PLAN

CUTSOGEORGE TOOMAN & ALLEN ARCHITECTS, P.C.
151 West 26th Street, 8th Floor, New York, NY 10001 6810

OWNER:
Wellington Fee LLC
400 Park Avenue
New York, New York 10022

AGENT:
Jordan Cooper & Associates
7 Penn Plaza, 14th Floor
New York, New York 10001

LOCAL LAW 11/98
(CYCLE VI)

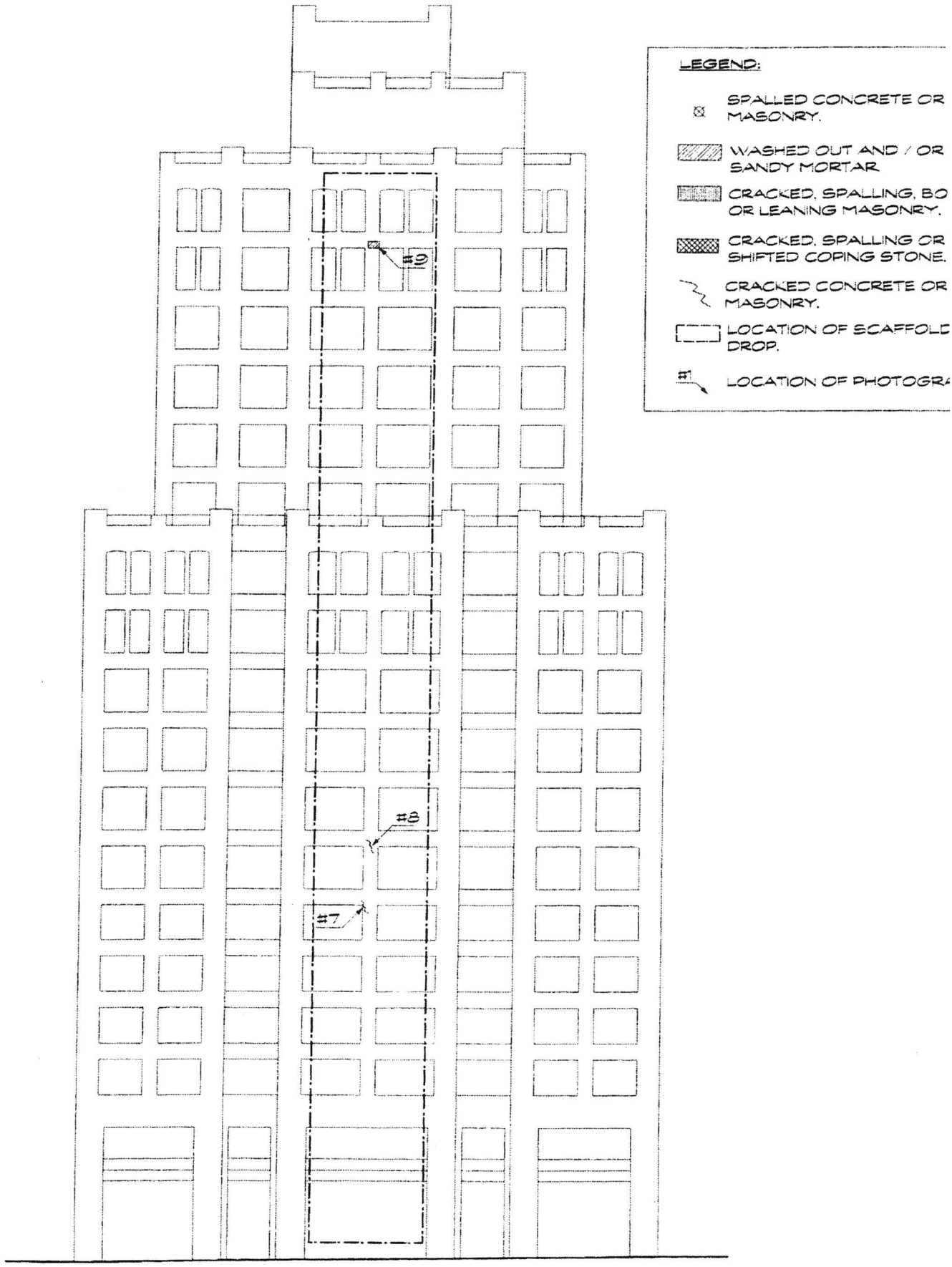
350 EAST 82ND STREET
NEW YORK, NEW YORK 10028

DRAWING TITLE:
EAST & WEST ELEVATIONS

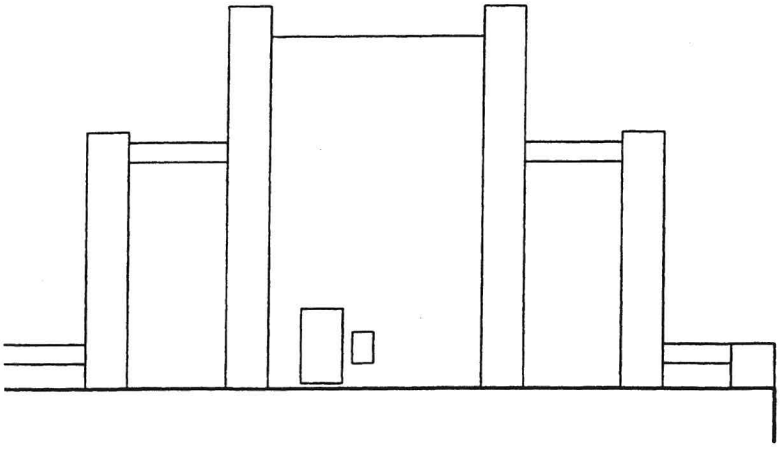
DATE: 3 A. 31ST 2005

SCALE: AS NOTED

A03

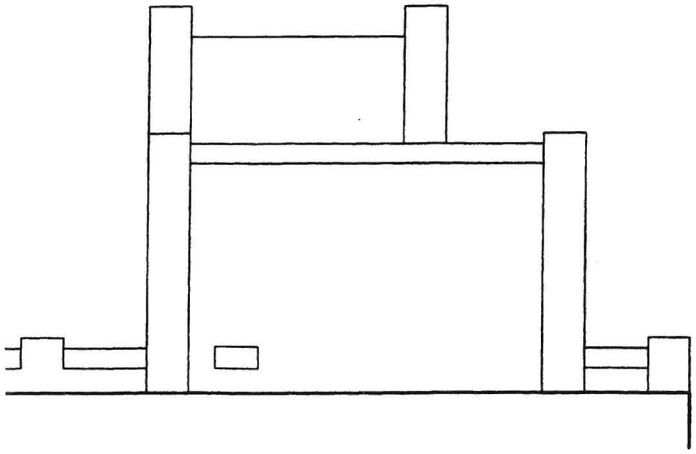


1 EAST (FIRST AVENUE) ELEVATION



TH ELEVATION

SCALE : 1/8" = 1'-0"



EVATION

SCALE : 1/8" = 1'-0"

PROJECT 02062.01

DATE REVISION NO.

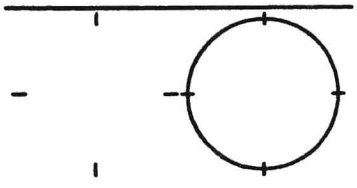
KEY PLAN

CUTSOGEORGE TOOMAN & ALLEN ARCHITECTS, P.C.

151 West 26th Street, 8th Floor, New York, NY 10001-6810

OWNER:
Wellington Fee LLC
400 Park Avenue
New York, New York 10022

AGENT:
Jordan Cooper & Associates
7 Penn Plaza, 14th Floor
New York, New York 10001



LOCAL LAW 11/98 (CYCLE VI)

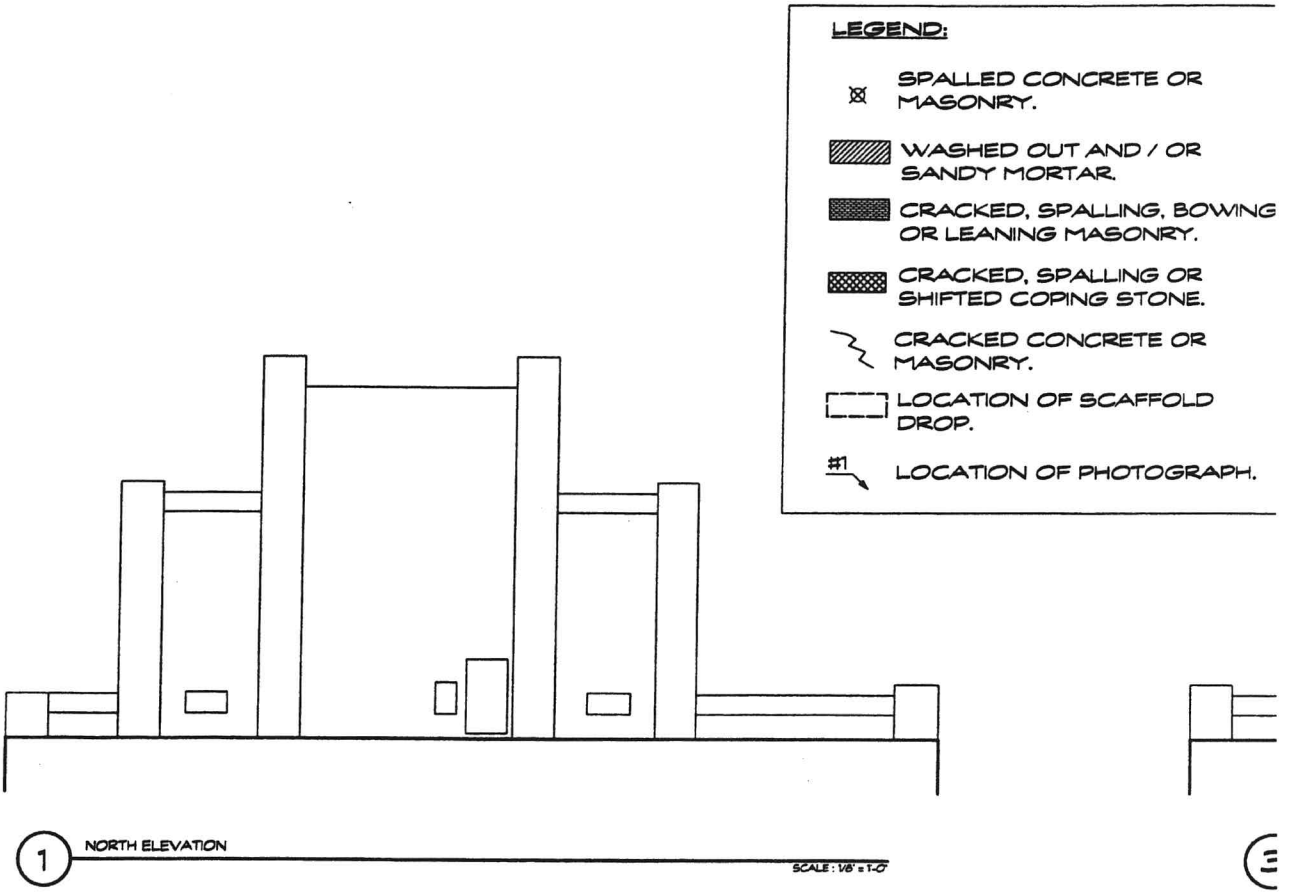
350 EAST 82ND STREET
NEW YORK, NEW YORK 10028

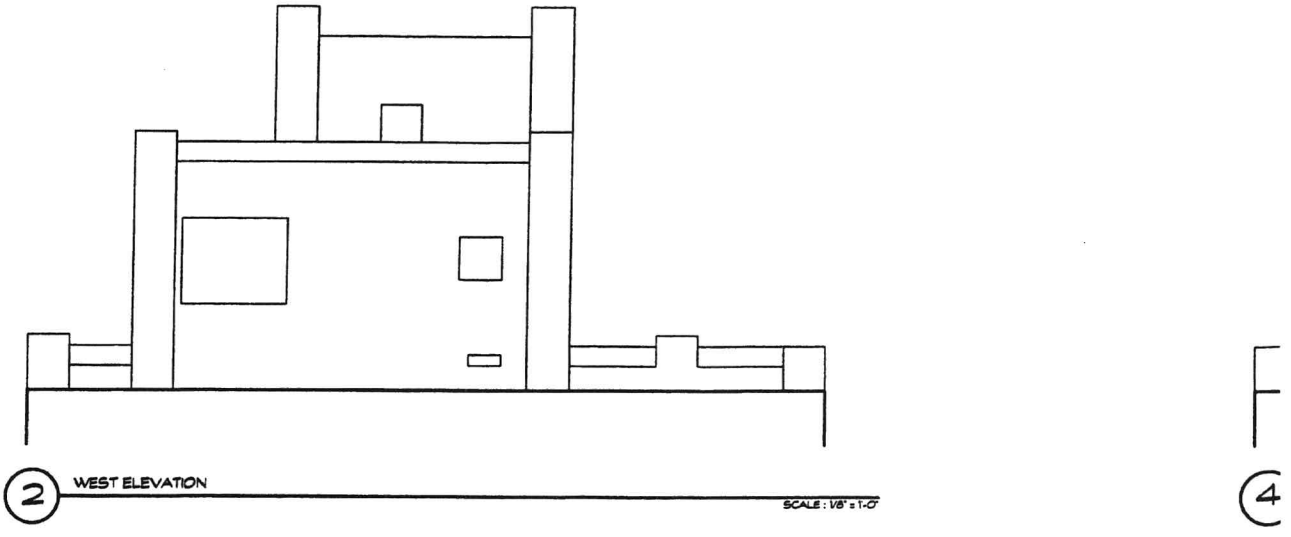
DRAWING TITLE:
BULKHEAD ELEVATIONS

DATE: 5 AUGUST 2005

SCALE: AS NOTED

A04


LEGEND:
SPALLED CONCRETE OR MASONRY.
WASHED OUT AND / OR SANDY MORTAR.
CRACKED, SPALLING, BOWING OR LEANING MASONRY.
CRACKED, SPALLING OR SHIFTED COPING STONE.
CRACKED CONCRETE OR MASONRY.
LOCATION OF SCAFFOLD DROP.
#1
LOCATION OF PHOTOGRAPH.
1
NORTH ELEVATION
SCALE : 1/8" = 1'-0"


2
WEST ELEVATION
SCALE : 1/8" = 1'-0"

PURCHASE AGREEMENT

PURCHASE AGREEMENT

WELLINGTON FEE LLC

Sponsor

With

Purchaser

Residential Unit Number _____

WELLINGTON TOWER CONDOMINIUM
350 EAST 82nd STREET
NEW YORK, NEW YORK 10028

UNIT NUMBER _____

WELLINGTON TOWER CONDOMINIUM
350 EAST 82nd STREET
NEW YORK, NEW YORK 10028

AGREEMENT, made as of _____, _____, between Sponsor and Purchaser (defined below).

W I T N E S S E T H:

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for the Wellington Tower Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser is not a Tenant in occupancy of the Residential Unit to which this Agreement pertains, Purchaser understands that if Purchaser has not been afforded at least 3 business days prior to Purchaser's signing this Agreement to review the Plan, then Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to the Selling Agent. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Residential Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means Wellington Fee LLC, having an office at, 390 Park Avenue, 3rd Floor, New York, New York 10022. Sponsor's taxpayer identification number is 20-1615631.

2.2. "Purchaser" means _____ having an address at _____, _____, _____. Purchaser's social security number is _____.

2.3 "Attorney for Sponsor" means Starr Associates LLP, having an address at 245 Fifth Avenue, Suite 1102, New York, New York 10016; Attention: Jane Rosenberg, Esq. Telephone Number: (212) 620-2688. Fax Number: (212) 696-5013. E-mail address: jrosenberg@starr-lawfirm.com.

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____, Attention: _____, Esq. Telephone Number: (__) _____. Fax Number: (__) _____.

2.5 "Selling Agent" means Classic Marketing LLC, having an address at 230 East 73rd Street, New York, New York 10021. Telephone Number: (212) 794-3500.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

2.8 "Title Company" means Commonwealth Land Title Insurance Company, having an office at Two Grand Central Tower, 140 East 45th Street, 22nd Floor, New York, New York 10017; phone: (212) 949-0100; Fax: (212) 697-5644 or Counsel Abstract, having an office at 400 Park Avenue, 3rd Floor, New York, New York 10022. Telephone Number: (212) 355-2460. Fax Number: (212) 697-5644.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit designated as Residential Unit ____ in the Declaration, together with its undivided _____% of interest in the Common Elements appurtenant to such unit (the "Unit").

4. PURCHASE PRICE

4.1 The purchase price for the Residential 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; and

(b) $_____ (the "Balance"), constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency, be drawn on or issued by a New York Bank or trust company which is a member of the New York Clearinghouse Association and shall be unendorsed. The Deposit shall be made payable to the direct order of "Starr Associates LLP, as Escrow Agent" and shall be by an official bank check or money order except that the Deposit tendered by a Bona-Fide Tenant with respect to a Purchase Agreement for the Unit which such Tenant occupied on the Filing Date of the Plan may be Purchaser's unendorsed personal check, subject to collection. The balance of the Purchase Price shall be made payable to the direct order of Sponsor (or such other party as Sponsor directs to Purchaser) and shall be by official bank check or (at Sponsor's sole option) by wire transfer. If any check is returned for insufficient funds or any other reason, such return shall be deemed to be a default by Purchaser under this Agreement and shall entitle Sponsor to exercise any of the remedies set forth in Article 14 hereof. Notwithstanding the foregoing, if the check representing the Deposit is returned for insufficient funds or any other reason, such return shall be deemed to be a non-curable default by Purchaser and this Agreement shall automatically be deemed cancelled. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

5. DEPOSIT TO BE HELD IN TRUST

All Deposits made pursuant to this Agreement are subject to the requirements of Sections 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards the deposit shall be delivered to Starr Associates LLP, as escrow agent ("Escrow Agent") and shall be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements". By signing this Agreement, Purchaser will not object

and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under this Agreement. If Purchaser shall default on his obligations under this Agreement, then the Deposit shall be released to Sponsor as set forth in the Plan, as liquidated damages, and thereafter, neither party shall have any further rights or obligations against or to each other. In the event Sponsor cannot convey title to the Unit to Purchaser by reason other than Purchaser's default, the Deposit shall be returned to Purchaser, within 30 days of Sponsor's notification to Purchaser that it cannot convey title.

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, New York (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior written notice. Sponsor, at its sole option may agree to waive the 30 day notice if Purchaser requests such waiver. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at Closing an extra fee as set forth in the Plan. After the initial notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing by notice to Purchaser, which notice may fix a new date, hour and place for the Closing of Title.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the date on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

6.3 The Closing of Title shall occur only concurrently with or after compliance with the prerequisites in the Section of the Plan entitled "Terms of Sale".

7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Sponsor shall deliver to Purchaser a certification stating the Sponsor is not a foreign person in compliance with IRS Section 6045(e) as amended, or any successor provision or regulation promulgated pursuant thereto.

7.4 At the Closing of Title, Purchaser shall execute whatever other documents are reasonably necessary or customary in connection with the conveyance of a Condominium Unit, including but not limited to title affidavits, real property transfer tax forms, reporting of information in respect of real estate transactions and window guard notice.

7.5 The executed deed, transfer tax forms and power of attorney to the Condominium Board shall be delivered at Closing to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to the Attorney for Sponsor) 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 returned to the Condominium Board.

7.6 Purchaser's payment of the Balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to Closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of Purchasers under Article 23-A of the General Business Law, the Plan, and Part 23 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser and Purchaser shall accept such, fee simple title to the Unit, as the Title Company will approve and insure without additional premium, provided that the only liens and encumbrances affecting title shall be those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any lien and encumbrance or condition which is not set forth in Schedule A annexed hereto 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 the Title Company, together with the required recording or filing fee, if any, or (b) The Title Company is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8.2 Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.3 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing of Title, then, for purposes of Article 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

8.4 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seek recovery against the Title Company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance. If Purchaser did not obtain title insurance at the Closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from the Title Company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subparagraph shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges and assessments for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to Closing, accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

9.2 If a Unit has been separately assessed for real estate tax purposes but the Closing of Title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed for real estate tax purposes as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Residential Common Elements appurtenant to the Unit.

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date (a) the Closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% 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 adjourns the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein or in the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title.

10. MORTGAGE TAX CREDIT

In the event a mortgage recording tax credit becomes available pursuant to Section 339- ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS

In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at Closing, by official bank check drawn upon a bank that is a member of the New York Clearing House Association.

12. TRANSFER TAX RETURNS

At the Closing, Purchaser and Sponsor shall duly complete and sign before a notary public the real property transfer tax return required to be filed with the City of New York ("RPT Form") and the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") required to be filed with the Department of Taxation and Finance of the State of New York, and such other forms as may then be required by law. The RPT and Combined Tax Form shall be delivered at the Closing of Title to the representative of the Title Company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Purchaser shall pay all real property transfer taxes in connection with the conveyance as set forth on the RPT Form and on the Combined Tax Form.

13. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or from performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

14. DEFAULT BY PURCHASER

14.1 The following shall constitute "Events of Default" hereunder:

(a) Purchaser's failure to pay the balance of the Purchase Price set forth in Article 4.1 (b) hereof, or any closing apportionment or closing cost required to be paid by the Purchaser as set forth in the Plan or in this Agreement, on the Closing Date designated by Sponsor pursuant to Article 6 hereof, or the dishonor of any check given by Purchaser to Sponsor; or

(b) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or

(c) if Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement; or

(d) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(e) 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

(f) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or lien; or

(g) Purchaser's assignment or transfer of this Agreement; or

(h) Purchaser's listing the Unit for resale or rental with any broker or listing agent or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease; or

(i) an Event of Default by Purchaser beyond any applicable grace period under a Purchase Agreement between Purchaser and Sponsor for another Unit at the Property.

14.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the balance of the Purchase Price and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by written notice to Purchaser to (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such 30 days, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the entire Deposit and any interest earned on the deposit. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close on the Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, reasonable legal fees and costs of collection). Notwithstanding the foregoing, Sponsor shall not exercise its right to file an action for specific performance against a Tenant Purchaser who purchases the Unit such Tenant occupied on the Filing Date of the Plan.

15. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or does not become effective within 15 months of the Filing Date (as such period may be tolled pursuant to the Plan) or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the deposit, together with interest earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

16. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, or otherwise, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this

Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

17. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

At Closing, the Unit will contain only those appliances, countertops, cabinets, sinks, air-conditioning units (if any) hardware and other fixtures, equipment and appliances currently installed therein that are owned by Sponsor. The Unit is being sold unfurnished. Any appliances, air-conditioning units, furnishings, equipment, fixtures and other personal property owned by any tenant of the Unit are not included in this sale. However, if the Unit is presently occupied by a person or persons other than Purchaser and the existing tenant removes a stove, dishwasher and/or refrigerator belonging to him, the Sponsor agrees to supply a replacement, which may not be new, but will be in working order. Furniture, wall coverings, furnishings, decorations and the like in or about any model unit are for display purposes only and is not included in this sale. Any floor plans or sketches shown to Purchaser or included in the Plan are only approximations of the Unit's dimensions and layout, and Purchaser should not rely thereon.

18. CONDITION OF PROPERTY

The signing of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including the Building, the Common Elements, the Unit and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein (hereinafter collectively called "Installations"), in their respective existing conditions, ordinary wear and tear excepted between the date Purchaser signs this Agreement (with respect to Non-Tenant Purchasers), or the Filing Date of the Plan (with respect to Tenant-Purchasers), and delivery of the deed to Purchaser. Purchaser acknowledges having read the description of Property, which sets forth a description of the physical condition of the Building set forth in Part II of the Plan and having been given the opportunity to review the Section of the Plan entitled "Sponsor's Statement of Building Condition." Purchaser understands that Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Installations, except as may otherwise be set forth in the Plan. Sponsor has agreed in the Plan to maintain the Building and the Common Elements in substantially the same condition they were in on the Filing Date, until the First Closing (subject to ordinary wear and tear between the Filing Date and the First Closing), unless prevented from doing by reason of acts or events beyond Sponsor's control, as more particularly set forth in the Plan. Subject to rights of existing tenants and occupants, Non-Tenant-Purchasers shall be given a reasonable opportunity to examine the Unit prior to Closing and it its recommended that Purchasers make a careful examination at such time.

19. 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:

19.1 If Purchaser is the existing tenant or occupant of the Unit, or if Purchaser is given possession of the Unit prior to Closing under an Interim Lease or otherwise, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its Installations. However, until Closing Sponsor will remain responsible to make those repairs required of it as landlord under any existing lease or

Interim Lease and, after Closing, the Condominium Board will be responsible to make those repairs required of it under the Condominium Declaration and By-Laws.

19.2 If during Purchaser's occupancy the Unit is damaged by casualty or otherwise, then Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts or omissions of Purchaser or other occupants of the Unit or Purchaser's guests, invitees, agents or workers. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance and accepting delivery of the deed.

19.3 Except as provided in the preceding paragraph, all other risk of loss prior to Closing has been assumed by Sponsor, but without any obligation or liability of Sponsor to repair the damage or restore the Unit. If Sponsor elects to repair or replace the loss or damage, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete, or to permit the Condominium Board to complete, such repairs or replacements. Purchaser shall not be required to pay the Balance unless and until: (i) the Unit has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor (subject to the rights, if any, of the Condominium Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor, The provisions of the preceding sentence shall survive the Closing.

19.4 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Condominium Board does not do so and Purchaser declines to accept the Unit without such repairs, this Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited hereunder, whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall be entitled to retain the Deposit pursuant to the terms of this Agreement.

20. NO REPRESENTATIONS

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented. Purchaser has relied solely on 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. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall

not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article shall survive the Closing of Title.

21. PROHIBITION AGAINST ADVERTISING

Prior to the Closing of Title, Purchaser agrees not to list the Unit or any portion thereof for resale or rental with any broker or listing agent or to advertise or otherwise offer, promote or publicize the availability of the Unit or any portion thereof for sale or lease. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to Closing of title shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

22. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and such named Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and such named Co-Broker, if any. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent and such named Co-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 shall survive the Closing of Title.

23. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign or transfer this Agreement prior to Closing. Any purported assignment by Purchaser will be (i) voidable at the option of Sponsor, and (ii) deemed a default by Purchaser, entitling Sponsor to the remedies set forth in the Plan.

24. SALE SUBJECT TO EXISTING TENANCY

24.1 The following is applicable to Purchaser of Residential Units occupied by others:

Complete the following only if Purchaser is not the tenant of the Unit:

Unit is Vacant: Yes ( ) No ( )

If Unit is Occupied:

Monthly Rent: $_____

Current Lease Term Expires: _____
or month-to-month ( )

Rent Security: $_____

Unit is Occupied by a Non-Purchasing Tenant: Yes ( ) No ( )

24.2 Purchaser understands and agrees that the Unit being sold hereunder is subject to the lease or tenancy of the present tenant and Section 352-eeee of the New York State General Business Law (the "GBL") as explained more fully in the Plan under the Section entitled "Rights of Existing Tenants" and Purchaser and Purchaser's successors and assigns shall continue to be bound by such laws and regulations so long as such occupancy continues.

24.3 Purchaser further understands, as explained in the Plan, that if a Non-Purchasing Tenant is in possession of the Unit on the Closing Date hereunder, Purchaser will assume the rights and obligations of Sponsor as the landlord of such tenant, including the right to collect rent (whether the same be greater or less than the Common Charges established from time to time by the Condominium Board) and the obligation to repair, maintain and paint the Unit (including its equipment and appliances) for the benefit of the existing tenant. From and after delivery of the deed, Purchaser alone will bear the entire costs and expenses of owning the Unit (including, but not limited to, any legal fees and litigation expenses for enforcing the lease and obtaining possession of the Unit).

24.4 Purchaser understands that if the tenant of the Unit exercises any right granted under the Plan (or any amendment thereto) or under the Rent Laws or GBL or other applicable law, which may or may not exist as of the date of this Agreement, or any administrative or judicial interpretation thereof, to purchase the Unit, then upon the Closing of such purchase, this Agreement shall be deemed and canceled and, within thirty (30) days after the occurrence of such event, all monies paid by Purchaser hereunder shall be refunded. Upon such repayment, Purchaser, Sponsor, the selling agent, and any other party hereto shall be (and hereby are) released and discharged of all liability or obligations hereunder and under the Plan.

24.5 Purchaser hereby irrevocably appoints the then managing agent of the Building (which managing agent may be replaced from time to time by the Condominium Board) as his agent, coupled with an interest, to provide for the account and at the expense of Purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has the right to occupy the Unit Purchaser is purchasing until such time as such right of occupancy terminates. Purchaser agrees to deposit with the managing agent at the Closing hereunder a sum of not less than an amount equal to two months Common Charges to be used as working capital to furnish service and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL. Purchaser agrees that upon written notice by the then managing agent that such deposit has been diminished, that Purchaser shall replenish such fund within 30 days thereafter. Purchaser further understands that Sponsor will guarantee the obligation of the then managing agent to provide all such services and facilities until such time as Sponsor surrenders control of the Condominium Board and Purchaser will indemnify Sponsor for all costs expended by Sponsor on Purchaser's behalf. The provisions of this paragraph shall survive the Closing.

25. TENANT PURCHASER'S RIGHT TO BENEFIT FROM IMPROVED TERMS

If prior to the First Closing, Sponsor amends the terms and conditions of the Plan to be more favorable to Tenant Purchasers, then if Purchaser is a Tenant Purchaser who executed and submitted this Agreement and the Deposit for the Unit which the Tenant Purchaser occupied on the Filing Date before Sponsor amended the terms of the Plan, Purchaser shall benefit from the more favorable terms and conditions.

26. PURCHASER'S REPRESENTATIONS

26.1 If Purchaser was a tenant in occupancy of a Residential Unit in the Building on the Filing Date of the Plan, Purchaser hereby represents that this Agreement was executed and delivered by Purchaser pursuant to an offering made without a discriminatory repurchase agreement or other discriminatory inducement.

26.2 If the Residential Unit to which this Agreement relates is not occupied by Purchaser, Purchaser shall duly complete and sign before a notary public the Statement of Purchase Set forth as Schedule B hereto and deliver same to the Selling Agent together with this Agreement.

27. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within 30 days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the Deposit paid on the execution hereof shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Purchase Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

Notwithstanding the above, this Agreement shall be binding on Sponsor provided (i) Purchaser is a Tenant-Purchaser; (ii) the Unit is the Unit occupied by the Tenant-Purchaser on the Filing Date of the Plan; (iii) the Agreement has not been altered, is complete and has been executed by all Tenant-Purchasers whose names are listed on the lease for the Unit; (iv) the executed Agreement is accompanied by an official bank check in the full amount of the Deposit; and a complete, executed Form W-9, and (v) the executed Agreement is delivered to Sponsor or Selling Agent during the time within which the Tenant-Purchaser has the exclusive right to purchase the Unit.

28. NOTICES

28.1 Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to the Attorney for Purchaser at the address given at the beginning of this Agreement with a copy to the Purchaser by regular mail and to Sponsor at the address given at the beginning of this Agreement, with a copy to the Attorney for Sponsor in the same manner as notice is given to Sponsor. Acknowledged receipt of facsimile transmission shall be deemed satisfactory notice hereunder. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected, or in the case of mailing, on the 3rd day after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

28.2 Sponsor hereby designates and empowers both the Selling Agent and Sponsor's counsel Starr Associates LLP, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

29. 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.

30. LIABILITY OF SPONSOR

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

31. 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.

32. AGREEMENT NOT CONTINGENT UPON FINANCING

The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that 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 the 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, the imposition by the Lender of any additional fees or charges nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement, and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment.

33. 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.

34. 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.

35. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

36. GOVERNING LAW

The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

37. WAIVER OF JURY

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

38. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

39. 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.

40. 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.

41. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

42. CONFIDENTIALITY

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Paragraph 14 of this Agreement.

43. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by the parties hereto or by an amendment to the plan.

44. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

45. COUNTERPARTS

This Agreement may be executed in any number of counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

WELLINGTON FEE LLC

By: Wellington Senior Mezz LLC,
its sole member

By: Wellington Junior Mezz LLC,
its sole member

By: Wellington Tower Partners LLC,
its sole member

By: R&F 82nd Street LLC, member

By: _____
Name:
Title:

SCHEDULE A
PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided such state of facts would not prevent the use of the Unit for dwelling purposes.

3. The terms, burdens, covenants, restrictions, conditions, easements and Residential Rules and Regulations, all as set forth in the Declaration, the By-Laws (and the Residential Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans as all of the same may be amended from time to time.

4. Consents by the Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations.

9. Leases and service, maintenance, employment, concessionaire and license agreements, if any, affecting the Property, other Units or portions of the Common Elements.

10. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the Closing of Title.

11. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

12. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

13. Any encumbrance as to which the Title Company would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

14. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

15. Any lease covering the Unit(s) made from the Sponsor to the Purchaser.

16. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

18. Any certificate of occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Any encumbrance, covenant, easement, agreement, or restriction against the Property set forth in the form of Unit Owner's Specimen Title Policy prepared by the Title Company set forth in Part II of the Plan, as it may be updated prior to the Closing Date.

SCHEDULE B TO PURCHASE AGREEMENT

BONA FIDE PURCHASER STATEMENT OF PURCHASE

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

Re: Unit _____ ("Unit")
Wellington Tower Condominium
350 East 82nd Street
New York, New York 10028

The undersigned Purchaser(s) represent that Purchaser(s) intend that Purchaser(s) or one or more specified members of Purchaser(s) immediate family intend to occupy the above-referenced Residential Unit when it becomes vacant.

PURCHASER(S):

_____
(signature)

_____
(signature)

Subscribed and sworn to before me
this _____ day of _____, _____

_____
Notary Public

INTENDED OCCUPANT(S):

_____
Print Name

_____
Print Name

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between Wellington Fee LLC, having an office at 390 Park Avenue, 3rd Floor, New York, New York 10022 ("Grantor") and _____ having an address at _____ ("Grantee").

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit known as Residential Unit No. _____ ("Unit") in the building ("Building") known as the Wellington Tower Condominium ("Condominium") and by the street number 350 East 82nd Street, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described by the above Unit number in a certain declaration dated _____, _____, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the New York County Office of the Register of The City of New York ("Register's Office") on _____, _____, as CRFN# _____ ("Declaration"). The Unit is also designated as Tax Lot __ in Block 1544 of Section 5 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of the Building, certified by Schuman Lichtenstein Claman Efron Architects on _____, _____, and filed with the Real Property Assessment Department of The City of New York on _____, _____, as Condominium Plan No. ____ and also filed in the Register's Office on _____, _____, as Condominium Map No. ____;

TOGETHER with an undivided ___% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Condominium (the "By-Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-Laws of the Condominium.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

SPONSOR:

WELLINGTON FEE LLC

By: Wellington Senior Mezz LLC,
its sole member

By: Wellington Junior Mezz LLC,
its sole member

By: Wellington Tower Partners LLC,
its sole member

By: R&F 82nd Street LLC, member

By: _____
Name:
Title:

GRANTEE:

_____

By: _____
Name:
Title:

(ACKNOWLEDGEMENTS)

EXHIBIT A
TO RESIDENTIAL UNIT DEED

DESCRIPTION OF THE LAND

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership of the Premises Known as

WELLINGTON TOWER CONDOMINIUM

and Having a Street Address of

350 EAST 82nd STREET
NEW YORK, NEW YORK 10028

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: **WELLINGTON TOWER CONDOMINIUM**

Sponsor: **WELLINGTON FEE LLC**
390 PARK AVENUE, 3rd FLOOR
NEW YORK, NEW YORK 10022

Date of Declaration:

_____, _____

Prepared by:

STARR ASSOCIATES LLP
Attorneys At Law
245 Fifth Avenue
New York, New York 10016
(212) 620-2680

The land affected by the within instrument lies in Section 5, Block 1544 F/K/A Lot 30, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan, County of New York, City of New York

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Exhibits

A – DESCRIPTION OF THE LAND

B – DESCRIPTION OF THE UNITS

C – DEFINITIONS

D – CONDOMINIUM BY-LAWS

E – RESIDENTIAL UNIT POWER OF ATTORNEY

DECLARATION
OF
WELLINGTON TOWER CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

Wellington Fee LLC, a limited liability company organized under the laws of the State of Delaware, having an office at 390 Park Avenue, 3rd Floor, New York, New York 10022 ("Sponsor"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2
SUBMISSION OF THE PROPERTY

Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

ARTICLE 3
NAME OF THE CONDOMINIUM

The Condominium shall be known as the Wellington Tower Condominium.

ARTICLE 4
THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5
THE PROPERTY AND THE BUILDING

Included in the Property is a single residential apartment building ("Building"). The Building is classified as Class 1B (Non-Combustible). It has brick walls with solid concrete block as back-up masonry and the Building foundations are reinforced concrete and concrete columns. The Building contains a total of

148 Residential Units (including one (1) Resident Manager's Unit) ("Residential Units"), located on floors 1-18 (penthouse level) of the Building, and four (4) Commercial Units (collectively, "Commercial Units"), consisting of: one (1) Community Facility Unit (the "Community Facility Unit") located on portions of the first and second floors of the Building, one (1) Retail Unit (the "Retail Unit") located on portions of the cellar and first floor of the Building, one (1) Garage Unit (the "Garage Unit") located on portions of the cellar and first floor of the Building, and one (1) Valet Unit (the "Valet Unit") located on a portion of the first floor of the Building. There is no designated 13th Floor.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with approximate location in the Building and with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number, location, approximate location in the Building area and number of bedrooms and baths; the appurtenant Limited Common Elements to which such Unit has immediate access and/or exclusive use; and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 Each Unit consists of the area measured horizontally from the exterior face of the glass or the exterior side of the exterior walls in accordance with the customary practice in New York City (perimeter glass or the exterior side of the columns and walls and perimeter mechanical pipes, flues, ducts and chases included) to the exterior face of the window or door glass to the centerline of any partitions, including concealed metal studs, blockwork, concrete columns and mechanical pipes and ducts that are in the interior walls and partitions separating one Unit from another Unit or from Common Elements, corridors, stairs, elevators and other mechanical equipment spaces. Each Unit consists of the area measured vertically from the top of the concrete floor or wood sub-floor located under the finished flooring materials to the underside of the concrete ceiling or bottom of wood joist. However, any Common Elements located within a Unit shall not be considered a part of such Unit.

6.3 (a) Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to such Unit (including all locks, peep holes and door knobs), Terrace trellises, hallways serving a Unit exclusively, the interior walls, partitions, floors and floor coverings and ceilings affixed, attached or appurtenant to such Unit, smoke and carbon monoxide detectors, windows, Terrace doors (including all panes, locks and knobs), Terrace trellises, all plumbing, gas and heating fixtures, equipment such as refrigerators, microwaves, dishwashers, washers and dryers, heating, ventilating and air-conditioning units (including the fans inside the units), heating equipment, ranges and other appliances, electrical panel boxes, sinks, bathtubs, waterclosets and all other facilities as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include fireplaces and flues, 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, water spigots located on Terraces 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 or ductwork within the walls, ceilings or floors. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit, including those located on adjacent Terraces, and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the electrical panel (including electrical branch wiring but excluding electrical service risers emanating from the basement) and serving or benefiting only that Unit. Any Common Elements located within a Unit shall not be considered a part of such Unit.

(b) The Commercial Units also include all mechanical equipment, fixtures, storefronts and Facilities exclusively servicing such Commercial Unit or affixed, attached or appurtenant thereto, wherever located on the Property.

6.4 Notwithstanding anything contained in this Article to the contrary, each Unit Owner will have the right, exercisable at any time but subject to the provisions of the By-Laws, 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 (with respect to Residential Units) to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity, sound integrity and mechanical and electrical systems of such Unit or of the Building or violate Law, or (with respect to Residential Units) the Residential Rules and Regulations of the Condominium.

As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of all of the Units or all of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(a) the Land (including the landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto;

(b) all foundations, footings, columns, beams, supports, girders, exterior walls beyond the Unit side of the glass or concealed blockwork or concealed concrete structural members of those exterior walls, interior load bearing walls, partitions, floors, window systems including glass panes, skylights, roofs and ceilings in, on, or under the Building, to the extent that the same are not expressly included as part of the Residential Common Elements or Residential Limited Common Elements pursuant to the terms of Paragraph 7.3 below or a Unit pursuant to the terms of Article 6 hereof;

(c) all concrete floor slabs and concrete ceilings, beams, supports, all curbs, passages, hallways, corridors, mechanical and electrical spaces, all fire staircases, landings and stairs, service entrances, lobbies, vestibules, basements, cellar, yards, elevator shafts and pits, entrances to, and exits from, the Building and spaces devoted to the use of persons employed with the operation of the Property (including mechanical areas, office and workshop space utilized by Resident Manager and Building staff), general illumination fixtures and security systems, to the extent that the same are not expressly included as part of the Limited Common Elements pursuant to the terms of Paragraph 7.3 below or a Unit pursuant to the terms of Article 6 hereof;

(d) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems, to the extent such installations and Facilities service both the Units and/or the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements, to the extent that the same are not expressly included as a part of the Residential Common Elements or Residential Limited Common Elements pursuant to the terms of Paragraph 7.3 or Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof; and

(e) all service rooms, meter rooms, electrical rooms, gas meter room, pump room, water tank room and domestic hot water room, sprinkler and fire safety systems, elevator room, elevator parts and elevator mechanicals, exhaust and fan room, Resident Manager's office, staff locker room, to the extent that the same are not expressly included as a part of the Residential Common Elements or Residential Limited Common Elements pursuant to the terms of Paragraph 7.3 or Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof; and.

(f) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of all of the Units or all of the Unit Owners or necessary for, or convenient to, the existence, maintenance, operation or safety of the Property.

7.3 The Residential Common Elements consist of those portions of the Building, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Residential Units or of the Residential Unit Owners only. Without intending to limit the generality of the foregoing in any respect, the Residential Common Elements include, passenger elevators, water meter room, storage rooms, service corridor, electric meter rooms, refuse rooms, mechanical equipment rooms, residential lobby, office, mailroom, residential service entrance, concierge station, package storage, elevator lobby, common laundry room, residential corridors, residential hallways, compactor rooms and their respective shafts and equipment, amenity areas of the seventh floor, including fitness room, children's playroom, swimming pool, sauna, steam room, business center, cinema room and Facilities servicing said amenity areas, all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems which serve the Residential Units and/or the Residential Common Elements only, all interior portions of the Building, to the extent that the same are not expressly included as part of the General Common Elements pursuant to the terms of Paragraph 7.2 above or a Unit pursuant to the terms of Article 6 hereof.

7.4 The Residential Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Residential Units to the exclusion of all other Residential Units. Without intending to limit the generality of the foregoing in any respect, the Limited Common Elements include Terraces adjoining certain Residential Units, as set forth in Exhibit B.

7.5 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-Laws.

7.6 Although the sidewalks adjacent to the Building are not a General Common Element, the repair and maintenance thereof shall be effectuated as if such sidewalks were General Common Elements, as set forth in the By-Laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST

The percentage of the Common Interest for each Unit is allocated pursuant to the method set forth in Real Property Law ("RPL") Section 339-i(1), in the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all of the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements, in accordance with subsection (ii).

ARTICLE 9

USE OF UNITS

9.1 As more particularly set forth in, and subject to the provisions of, the By-Laws, the Residential Units may be used for residential purposes only. A Residential Unit owned or leased by an individual, corporation, partnership or trust may only be occupied (unless the Condominium Board otherwise consents) by said individual, or a designated individual officer, director, stockholder or employee of such corporation, or by a designated individual partner or employee of such partnership, or by an individual beneficiary of said trust, or by Family Members or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Residential Unit by such Family Members); however, the foregoing restrictions shall not apply to Unsold Residential Units. Residential Units may only be leased subject to and in accordance with the By-Laws and the Residential Rules and Regulations.

9.2 Notwithstanding the foregoing, with the prior written consent of Sponsor (at its sole discretion) or, after the Initial Control Period expires, with the prior written consent of the Condominium Board (at its sole discretion) any Residential Unit may be used for professional purposes, or for any other lawful purposes, subject, however, to (1) compliance with the terms and conditions of the then existing certificate of occupancy for the Building, and (2) compliance with applicable Law.

9.3 The Commercial Units may be used for any lawful purpose, including without limitation, retail stores, banks, restaurants, theaters, bars, parking garages and commercial, professional and office space.

9.4 Notwithstanding anything to the contrary contained in this Declaration, the By-Laws or the Residential Rules and Regulations, at any time and without the permission of the Condominium Board, Sponsor may (a) use any Unsold Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Units and any other properties in which principals of the Sponsor have an interest or for any other purpose, subject only to compliance with Law, and (b) sell or lease Unsold Units to third parties.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of this Declaration, By-Laws and (with respect to the Residential Units) the Residential Rules and Regulations, Sponsor, the Unit Owners, all other permitted tenants and occupants of the Building, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance

with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so and subject to the By-Laws.

10.2 Subject to the terms of the By-Laws and the Residential Rules and Regulations, Sponsor, the Unit Owners, the Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Common Elements, and the Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 Sponsor and the Commercial Unit Owners and their Permitted Users shall have an easement, as well as the exclusive right, to the extent permitted by Law, to erect, install, use, maintain, repair and replace, from time to time, (a) one or more signs and lighting fixtures, of such size and content as Sponsor or such Commercial Unit Owner shall determine, on the exterior walls of the Building and (b) pipes, risers, ducts, flues and equipment necessary for providing heat, air-conditioning, exhaust or ventilation on the roofs or façade of the Building and on the General Common Elements (and with respect to Sponsor, on Residential Common Elements). Additionally, the Commercial Unit Owners, and their Permitted Users shall each have an easement for so long as the Condominium shall remain in existence, to use the sidewalks appurtenant to the Commercial Unit(s) for any purposes permitted by Law, including, without limitation, food and beverage service and the placement of outdoor seating, tables and signage.

10.4 Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for the use thereof. The Units having the same are indicated on Exhibit B.

10.5 Notwithstanding anything to the contrary contained in Section 10.1 or 10.2 hereof, Sponsor and its invitees, licensees, contractors, employees, agents and tenants shall have an easement in, over, under, through and upon the Common Elements to use the same, without being subject to any fee or charge by the Condominium Board or Managing Agent, for all purposes and activities in connection with the sale or renting of Unsold Residential Units or Commercial Units and shall have the right to use any one or more Unsold Residential Units or Commercial Units as sales, rental and/or management offices and/or as model units. Such Unsold Residential Units shall remain Residential Units within the meaning of this Declaration, the By-Laws and the Condominium Act, and shall not comprise a part of the Common Elements. In addition, Sponsor shall have the right, to the extent permitted by Law, to use the business center and the cinema room located on the seventh floor of the Building in Sponsor's sole discretion, without being subject to any fee or charge by the Condominium Board or the Managing Agent, for all purposes and activities in connection with the sale or renting of Unsold Units in the Building or in any other building in which Sponsor's principals have an interest, which right shall include, without limitation, the right to place "for sale," "for rent" and other signs and promotional materials, of such size and content as Sponsor shall determine, in the lobby or on, about and adjacent to the exterior walls of the Building.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-Laws and (with respect to Residential Units only) the Residential Rules and Regulations, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve its Unit. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this Section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an

easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than one(1) day's notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of this Declaration, the By-Laws or the Residential Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor for so long as it shall own any Unsold Unit, the Commercial Unit Owners and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor or the Commercial Unit Owners or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-Laws or the Residential Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.3 Sponsor and its contractors, employees and agents for so long as Sponsor shall own any Unsold Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units and to obtain and renew Certificates of Occupancy for the Building.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 The Commercial Unit Owners and their respective Permitted Users shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Units and their Facilities.

11.6 Sponsor, with respect to any Unsold Units and the Commercial Unit Owners with respect to Commercial Units and each of their respective Permitted Users shall each have an easement for so long as the Condominium shall remain in existence, to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment and to utilize any risers, conduits, piping, cables, ducts

and electrical panels and rooms, telephone/cable panels and rooms in connection therewith (collectively, the "Telecommunication Equipment") on the roofs of the Building which are General Common Elements (and, with respect to Sponsor only, Residential Common Elements). The Commercial Unit Owner's use of Telecommunication Equipment shall only be for purposes of servicing any Permitted Users of the Commercial Units and not for third party lease. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to either the Sponsor or the Commercial Unit Owner. Any obligations of Sponsor and/or the Commercial Unit Owners under any lease, license or other right of use granted by Sponsor and/or the Commercial Unit Owners shall be the obligation of Sponsor or the respective Commercial Unit Owner, as the case may be, and not of the Condominium, and any rights of Sponsor and/or such Commercial Unit Owner, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor or such Commercial Unit Owner, as the case may be, and not of the Condominium or any other Unit Owner. In connection with such easement and related rights, Sponsor and the Commercial Unit Owners and each of their respective Permitted Users shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement.

11.7 The Condominium is known as the Wellington Tower Condominium and is located at 350 East 82nd Street, New York, New York 10028. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building. Only Sponsor shall have the right to change or assign the name of the Condominium subject to the consent of the Condominium Board. Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace, from time to time, one or more plaques and/or signs ("Plaque"), without charge, on the exterior portion of the Building setting forth the name and address of Sponsor, or such other information as the Sponsor desires in its sole discretion. Only Sponsor shall have the right to remove the Plaque, unless mandated by Law.

11.8 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Sponsor in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.9 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS AND COMMERCIAL UNITS

12.1 Except to the extent prohibited by Law, Sponsor shall have the right, at its sole cost and expense, without the vote or consent or approval of the Condominium Board, other Unit Owners, the Selling Agent, the Managing Agent or the Mortgage Representatives, if any, to:

(a) make alterations, additions or improvements (including physically enclosing and incorporating Residential Limited Common Elements into an appurtenant Residential Unit), whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units and their appurtenant Limited Common Elements, if any;

(b) change the layout of, or number of rooms in, any Unsold Units;

(c) change the size and/or number of Unsold Units by (w) subdividing one or more Unsold Units into two or more separate Units, (x) combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, (y) altering the boundary walls between any Unsold Units, or (z) otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) or Residential Limited Common Elements (such as a Terrace) which exclusively benefit an Unsold Residential Unit into such Residential Unit; and

(d) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clauses their Common Interests provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Unit:

(i) no physical modifications shall be made to any other Unit and the Common Interest (other than Unsold Units and Residential Limited Common Elements appurtenant to a Residential Unit), as the case may be, or interior dimensions of any other Units (other than Unsold Units and Residential Limited Common Elements appurtenant to a Residential Unit) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) Sponsor shall comply with Law and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iii) such alteration, addition, improvement, or change shall not jeopardize the soundness or structural integrity of any part of the Building.

12.2 Except to the extent prohibited by Law, the Commercial Unit Owners shall each have the right, without the consent or approval of the Condominium Board, other Unit Owners, Sponsor, the Selling Agent, the Managing Agent, or the Mortgage Representatives, if any, to:

(a) make alterations, additions, improvements, or repairs, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon such Commercial Unit, including, without limitation, the exterior façade and store fronts appurtenant to such Commercial Unit;

(b) change the use or layout of, or number of rooms in such Commercial Unit;

(c) amend the Certificate of Occupancy for the Building as it relates to such Commercial Unit;

(d) change the size of such Commercial Unit by (w) subdividing such Commercial Unit into two or more separate Units, (x) combining two or more separate Units resulting from such subdivision into one or more Units, (y) altering the boundary walls of two or more separate Units resulting from such subdivision or combination, or (z) otherwise; and

(e) if appropriate, reapportion among the Commercial Units affected by such change in size or number pursuant to the preceding clauses their respective Common Interests; provided,

however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon the Commercial Unit:

(i) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) the Commercial Unit Owners shall comply with Law;

(iii) the Commercial Unit Owners shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iv) such alteration, addition, improvement, repair or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

In the event of the subdivision of the Commercial Units into separate Commercial Units, the Owner of each such newly created Commercial Units shall have all the rights, privileges and benefits, and shall be subject to all the obligations of the original Commercial Unit Owner, as provided in this Declaration and the By-Laws.

12.3 Consistent with the foregoing, in the event Sponsor or its designee or the Commercial Unit Owners seeks to change an existing use, Sponsor or its designee and/or such Commercial Unit Owner shall have the right, from time to time, to amend the certificate of occupancy of the Building to reflect such changed usage. In the event required by applicable Law, the Condominium Board shall cooperate with the Sponsor, the Commercial Unit Owner or their designees, as the case may be, at the requesting party's expense and execute all applications, authorizations and other instruments reasonably required to enable the Sponsor, the Commercial Unit Owner or their designees, as the case may be, to amend the certificate of occupancy or to make an alteration, addition, improvement or repair, 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 of injury to persons or damage to property arising therefrom. In addition to the foregoing, Sponsor, the Commercial Unit Owner or their designees, shall have the authority to execute the foregoing on behalf of the Condominium Board, in accordance with Section 13.2 of the By-Laws.

12.4 Notwithstanding the foregoing provisions of Articles 12.1, however, the aggregate amount of the Common Interests of all the Units and the Residential Common Interest of all the Residential Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been determined based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by Sponsor, the Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article 12 may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

ARTICLE 13

ACQUISITION OF UNITS BY THE CONDOMINIUM BOARD

If (a) any Unit Owner surrenders its Unit, together with its Appurtenant Interests, to the Condominium Board pursuant to the terms of the By-Laws or Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to the By-Laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interests, or purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale (or acquires the Resident Manger's Unit pursuant to the Plan), then, in all such events, title to any

such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit and without need for further confirming documentation, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, (i) Sponsor, to amend the Condominium Documents pursuant to the terms of Article 18 hereof, and (ii) the Persons who shall from time to time constitute the members of the Condominium Board to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and instituting tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Unit, including but not limited to the Resident Manager's Unit, together with its Appurtenant Interests, whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or acquire any such Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(c) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired, including but not limited to the Resident Manager's Unit, or to sublease any Unit so leased; and

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate or (3) any protests and tax certiorari proceeding documentation including, but not limited to, petitions and settlements affecting Residential Units.

14.2 In confirmation of the foregoing power of attorney, each Residential Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Residential Unit Power of Attorney in the form set forth as an Exhibit E to this Declaration.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is

authorized by a vote of 100% of the Commercial Unit Owners and a minimum of 80% in number and in Common Interest of all Residential Unit Owners. No such vote shall be effective, however, without the written consent of (1) the Mortgage Representatives, if any, and (2) Sponsor, until such time as Sponsor has conveyed title to all Units; but in no event shall Sponsor's consent be required more than 5 years after the First Closing. In the event said withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such net proceeds all liens on its Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

16.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person, as the case may be.

16.3 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge and deliver pursuant to this Declaration at the request of Sponsor or (ii) to deliver a written notice to Sponsor and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then Sponsor is hereby authorized, as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, the Condominium Board or other Person, as the case may be.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and (with respect to the Residential Units) the Residential 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 its heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and (with respect to the Residential Units) the Residential 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 (with respect to the Residential Units) the Residential Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any Person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

AMENDMENTS TO THIS DECLARATION

18.1 (a) Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor, or Commercial Unit Owners and except as otherwise set forth herein, any provision of this Declaration affecting (i) the General Common Elements or the Unit Owners may be added to, amended, modified or deleted by the vote of Unit Owners owning at least 66 2/3% of the aggregate Common Interests taken in accordance with the provisions of the By-Laws, or (ii) affecting the Residential Common Elements or all Residential Unit Owners may be added to, amended,

modified or deleted by the vote of Residential Unit Owners owning at least 66 2/3 % of the aggregate Residential Common Interest; provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. No amendment, modification, addition or deletion which shall affect the interest of Sponsor's or a Commercial Unit Owner's Permitted Mortgagee or the priority or validity of the lien of a valid purchase money mortgage or blanket mortgage held by an Institutional Lender shall be effective without the prior written consent of Sponsor or such Commercial Unit Owner and the Mortgage Representatives (as defined in the By-Laws), if any. No such amendment, modification, addition or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor, or Commercial Unit Owners, any such amendment, modification, addition or deletion shall be executed by either the Sponsor or such Commercial Unit Owners or the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, and the Condominium Board is hereby authorized by such Unit Owners to so act as their attorney-in-fact. Articles 9,10,11,12,13,14 and 15 of this Declaration may not be amended, modified, added to or deleted to decrease, limit, eliminate or diminish the rights of Sponsor and Commercial Unit Owners set forth therein unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) Sponsor and all of the Commercial Unit Owners affected thereby, approve such amendment, modification, addition or deletion.

(b) Notwithstanding anything contained in Section 18.1(a) to the contrary, in connection with a proposed alteration by a Residential Unit Owner involving the request to combine one or more Residential Units, this Declaration may be amended by an affirmative vote of a majority of the Condominium Board provided that in connection with such combination of such Residential Unit(s), no physical modifications shall be made to any other Unit not owned by such Unit Owner and the Common Interest (other than in the Units(s) in question), as the case may be, or interior dimensions of any other Units (other than the Unit(s) in question) shall not be changed by reason thereof, unless the owner of such other affected Units(s) shall consent thereto. In connection with such proposed work to combine Unit(s), all work shall be performed at Unit Owner's sole cost and expense. Further, the Unit Owner shall comply with Law and the provisions of the Declaration, By-Laws and (with respect to the Residential Units) the Residential Rules and Regulations of the Condominium, and shall agree to indemnify and hold the Condominium Board, the Managing Agent and all other Unit Owners harmless from any liability arising therefrom, acknowledge that such alteration, addition, improvement or change undertaken in connection with such work shall not jeopardize the soundness or structural integrity of any part of the Building and agree, among other things, to bear the full cost and expense, including legal fees, in connection with the alterations and the preparation and filing of the amendment to the Declaration and the Floor Plans.

18.2 Sponsor and the Commercial Unit Owners shall have the right, at Sponsor's or such Commercial Unit Owner's sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at Sponsor's or such Commercial Unit Owner's sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration (including Exhibit B hereto), together with such documents, floor plans and maps as Sponsor deems appropriate to effectuate the same:

(a) to reflect any changes in Unsold Residential Units or Commercial Units and/or the reapportionment of the Common Interest of the affected Unsold Residential Units or Commercial Units resulting therefrom made by Sponsor or such Commercial Unit Owner in accordance with the terms of Article 12 hereof; or

(b) required by (x) an Institutional Lender designated by Sponsor or such Commercial Unit Owner to make a 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

Sponsor or any Commercial Unit Owner to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor or any Commercial Unit Owner, or (2) require a physical modification of any Unit other than a Unit owned by Sponsor or any Commercial Unit Owner, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this Section) or the holder of such mortgage (in the event described in subparagraph (3) of this Section) shall consent thereto by joining in the execution of such amendment.

18.3 Any amendment to this Declaration may be executed; (i) if on behalf of Sponsor or any Commercial Unit Owner pursuant to the terms of Section 18.2 hereof, by any principal or authorized agent of Sponsor or any Commercial Unit Owner, or (ii) if on behalf of the Unit Owners or by the Condominium Board, by any authorized officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certificate shall be described the percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

18.4 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be adopted (a) for so long as Sponsor owns any Unit; or (b) with respect to a Commercial Unit, as the case may be, if the same would (x) unreasonably interfere with the sale, lease, use, or other disposition of a Unit owned by Sponsor or any Commercial Unit Owner, (y) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor or any Commercial Unit Owner, or (z) impose any discriminatory charge or fee against Sponsor or any Commercial Unit Owner.

18.5 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of (i) Sponsor if the same relate to Sponsor, or (ii) the affected Commercial Unit Owners if the same relate to one or more Commercial Units.

ARTICLE 19

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when Sponsor no longer owns any Units.

ARTICLE 20

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium. The Secretary of State shall be directed to mail a copy of any process served to the Condominium Board of the Condominium at the Property Attention: President. As required by Law, the Condominium Board shall notify the Secretary of State of any change in the person authorized to receive a copy of any process served against the Secretary of State. This Article may be amended at any time by the Condominium Board to designate additional persons to receive service of process in any action which may be brought against the Condominium. Any member of the Condominium Board or any Unit Owner or any manager or managing agent for the Condominium who receives service of

process from the Secretary of State shall promptly deliver copies of the same to the other members of the Condominium Board and any manager or managing agent of the Condominium, as applicable.

ARTICLE 21

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Residential Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 22

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23

SEVERABILITY

Subject to the provisions of Section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 24

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor or the Commercial Unit Owners, as the case may be, as set forth herein shall inure to the benefit of and be binding upon any successor or assign or designee of Sponsor or such Commercial Unit Owners or, with the consent of Sponsor or the Commercial Unit Owners (as the case may be), any transferee of all or a portion of the then Unsold Residential Units or Commercial Units, as the case may be. Sponsor and the Commercial Unit Owners shall have the right, at any time, in their sole discretion and without any fee or charge imposed by the Condominium or Managing Agent, to assign or otherwise transfer their interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

ARTICLE 25

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 26

CERTAIN REFERENCES

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.

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.

Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

SPONSOR:

WELLINGTON FEE LLC

By: Wellington Senior Mezz LLC,
its sole member

By: Wellington Junior Mezz LLC,
its sole member

By: Wellington Tower Partners LLC,
its sole member

By: R&F 82nd Street LLC, member

By: _____
Name:
Title:

(ACKNOWLEDGEMENT)

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____ before me, the undersigned, a notary public in and for said state, personally appeared _____ personally

known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies) and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____

Notary

EXHIBIT A TO THE DECLARATION

DESCRIPTION OF THE LAND

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

[EXHIBIT B TO THE DECLARATION – DESCRIPTION OF THE UNITS INSERTED HERE]

EXHIBIT C

DEFINITIONS

"Adverse effect," or "adversely affect," refers to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Unit Owners over those set forth in the latest budget by 25% or more, (ii) materially interfere with such Unit Owner's access to its Unit, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit (except with respect to lot line windows) or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit.

"Bona-Fide Tenant" refers to (a) a bona-fide tenant in occupancy on the Filing Date; (b) a bona-fide tenant with the right to renew a lease on the Filing Date; (c) a bona-fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona-fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Residential Unit or the Residential Unit is not the tenant's primary residence; and (e) a bona-fide sublessee in occupancy on the Filing Date, if such sublessee subleases from a non-bona-fide tenant, or has obtained written permission to purchase the Residential Unit from the bona-fide tenant of record.

"Board of Managers" or "Condominium Board" refers to the governing body of the Condominium which conducts the affairs and supervises the operations of the Condominium.

"Building" refers to the structure and improvements of the building located at 350 East 82nd Street, New York, New York 10028.

"Buildings Department" refers to the office of the New York City Department of Buildings or any successor agency.

"By-Laws" refers to the By-Laws governing the operations of the Condominium appended to the Declaration as the same may be amended from time to time, which is set forth in Part II of the Plan.

"Closing" or "Closing of Title" refers to the date, time, place and procedure by which, among other things, fee title to a Unit and its appurtenant Common Interest is conveyed pursuant to a fully-executed Purchase Agreement.

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

"Commercial Units" refers to the Garage Unit, Retail Unit, Community Facility Unit and Valet Unit, collectively, (and more particularly described in Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans) and such other Commercial Units which may be created as a result of subdivision or combination of one or more of such Units, each one being a "Commercial Unit." These Units are not offered for sale in this Plan.

"Commercial Unit Owner" refers to any Unit Owner of a Commercial Unit at the time in question. Multiple Owners of Commercial Units are referred to together as "Commercial Unit Owners."

"Common Charges" refers to the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with Schedule B allocations and as provided in the Declaration or in the By-Laws.

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

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

"Common Interest" refers to the proportionate, undivided interest in fee simple absolute, expressed as a numerical percentage, in the Common Elements, appurtenant to each Unit. The aggregate Common Interest for all Units is 100%. The Common Interest attributable to each Unit is set forth on Schedule A to the Plan and Exhibit B to the Declaration.

"Community Facility Unit" refers to the Community Facility Unit located on portions of the first and second floors of the Building (and more particularly described in Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans) and such other Community Facility Units which may be created as a result of subdivisions or subsequent combination of such Unit(s).

"Community Facility Unit Owner" refers to any Unit Owner of a Community Facility Unit at the time in question. Multiple Owners of Community Facility Units are referred to together as "Community Facility Unit Owners."

"Condominium" refers to the Property which is the subject of the Declaration and which is known as the Wellington Tower Condominium.

"Condominium Act" refers to the New York Condominium Act, as same may be amended from time to time (New York Real Property Law, Article 9-B).

"Condominium Board" or "Board of Managers" refers to the governing body of the Condominium which conducts the affairs and supervises the operation of the Condominium.

"Condominium Documents" refers to the Declaration, the By-Laws and the Residential Rules and Regulations.

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

"Department of Law" refers to the Investment Protection Bureau of the Department of Law of the State of New York.

"Deposit" refers to all Deposits, advances and payments made by a Purchaser prior to the Closing of a Residential Unit.

"Exclusive Purchase Period" refers to the exclusive 90 day period from the Presentation Date of the Plan within which a Bona-Fide Tenant shall have the exclusive right to purchase the Residential Unit such Bona-Fide Tenant occupies on the Filing Date, at the Purchase Prices set forth on Schedule A.

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

"Family Members" refers to the spouse, domestic partner, children, stepchildren, grandchildren, siblings, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Residential Unit Owner who reside in such Residential Unit Owner's Residential Unit.

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

"First Closing" refers to the Closing of Title with respect to the first Residential Unit in the Condominium to be conveyed to a Purchaser.

"First Year's Budget" refers to the Section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation."

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

"Force Majeure" refers to unavoidable delays due to weather, floods, epidemics, quarantine, restrictions, strikes, lockouts, acts of God, acts of terrorism, freight embargoes, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which Sponsor does not have control, however for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond reasonable control.

"Garage Unit" refers to the Garage Unit located on portions of the cellar and first floors of the Building (and more particularly described in Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans) and such other Garage Units which may be created as a result of subdivision or subsequent combination of such Unit(s).

"Garage Unit Owner" refers to any Unit Owner of a Garage Unit at the time in question. Multiple Owners of Garage Units are referred to together as "Garage Unit Owners."

"GBL" refers to Section 352-eeee of the New York State General Business Law.

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

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

"Holder of Unsold Residential Unit" refers to the Sponsor and its designees who acquire an Unsold Residential Unit other than for its own occupancy or for the occupancy by a person related by blood, marriage or adoption to the Holder of Unsold Residential Unit.

"Initial Control Period" refers to the period ending on the earlier to occur of (i) the Closing of Title with Purchasers under the Plan to Residential Units having at least 50% of the aggregate Common Interest appertaining to all Units or (ii) 5 years after the First Closing.

"Institutional Lender" refers to (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust, or a group of lenders which shall

include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) Sponsor.

"Land" refers to the Property, excluding the Building.

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

"Majority of Commercial Unit Owners" refers to those Commercial Unit Owners having more than 50% of the total authorized votes of all Commercial Unit Owners (determined in accordance with the terms of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

"Majority of Residential Unit Owners" refers to those Residential Unit Owners having more than 50% of the total authorized votes of all Residential Unit Owners (determined in accordance with the terms of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Residential Unit Owners at which a quorum is present.

"Majority of Unit Owners" refers to those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

"Managing Agent" refers to the management company or entity of the Building which manages the Property on behalf of the Condominium at the time in question.

"Non-Purchasing Tenant" refers to a person who has not purchased a Residential Unit under the Offering Plan and who was a tenant entitled to possession at the time the Offering Plan was declared effective. A person who sublets a Residential Unit from a Purchaser under the Offering Plan is not deemed a Non-Purchasing Tenant.

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

"Offering Plan" or "Plan" refers to that certain condominium offering plan relating to the Property, as accepted for filing by the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York and any amendments thereto.

"Permanent Certificate of Occupancy" refers to the permanent certificate of occupancy issued by the Buildings Department for the Building.

"Permitted Encumbrances" refers to those title encumbrances more particularly described on Schedule A to the form of Purchase Agreement and standard printed exceptions contained in the form of title insurance policy promulgated by the New York Board of Title Underwriters or the American Land Title Association, whichever shall be applicable.

"Permitted User" refers to any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or the Common Elements,

subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

"Person" refers to any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

"Presentation Date" refers to the date on which the Offering Plan or an amendment thereto, as the case may be, is personally delivered or the fifth day after mailing following the acceptance of the Offering Plan or an amendment thereto, for filing by the Department of Law.

"Property" refers to the Land and Building and other improvements erected or to be erected on the Land, all easements, rights and all appurtenances thereto.

"Purchase Agreement" refers to that contract of purchase and sale for a Residential Unit, the form of which is set forth in Part II of the Plan.

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

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

"Rent Laws" refers to, collectively, (i) the Emergency Tenant Protection Act of 1974, (ii) the New York City Rent Stabilization Law and the Code adopted pursuant thereto, (iii) the Rent Regulation Reform Act of 1997; and (iv) any codes, rules or regulations promulgated thereunder and any administration and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property.

"Resident Manager's Unit" refers to the Unit designated as the Resident Manager's Unit in the Declaration which Unit is more particularly described in Schedule A to the Plan and in Article 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans.

"Residential Common Charges" refers to the Common Charges allocated and assessed by the Condominium Board to the Residential Unit Owners, pro-rata, in accordance with their respective Residential Common Interests to meet the Residential Common Expenses.

"Residential Common Elements" refers to those portions of the Common Elements either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Residential Units, as more particularly described in the Declaration and the Floor Plans.

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

"Residential Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for such Residential Unit Owner's share of the Residential Common Expenses.

"Residential Limited Common Elements" refers to a Common Element appurtenant to a Residential Unit or Residential Units, the use and enjoyment of which is restricted to the Owners of such Residential Unit or Residential Units to the exclusion of all other Residential Unit Owners (e.g. Terraces). The respective responsibilities of such Residential Unit Owners and the Condominium Board for repair and maintenance of Residential Limited Common Elements are set forth in the Declaration and By-Laws.

"Residential Unit" refers to any of the Residential Units, as such term is defined in Condominium Act, located in the Building, which Residential Units are more particularly described on Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans. All such Units are, collectively, referred to as the "Residential Units."

"Residential Unit Owner" refers to the Person (including Sponsor, if Sponsor owns any Unsold Residential Unit) who holds fee title to one or more Residential Units at the time in question. All such owners are, collectively, referred to as "Residential Unit Owners."

"Residential Rules and Regulations" refers to the Residential Rules and Regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws, it being agreed that the Residential Rules and Regulations shall apply only to Residential Unit Owners and their Permitted Users.

"Retail Unit" refers to the Retail Unit located on a portion of the cellar and first floor of the Building (and more particularly described in Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans) and such other Retail Units which may be created as a recruit of subdivision or subsequent combination of such Unit(s).

"Retail Unit Owner" refers to any Unit Owner of a Retail Unit at the time in question. Multiple Owners of Retail Units are referred to together as "Retail Unit Owners."

"Schedule A" refers to the schedule set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

"Schedule B" refers to the schedule set forth in the Section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation."

"Selling Agent" refers to Classic Marketing LLC, a New York limited liability company having an office at 230 East 73rd Street, New York, New York 10021, or any successor Selling Agent at the time in question.

"Special Assessment" refers to the charges allocated and assessed by the Condominium Board to all Unit Owners or to the Residential Unit Owners only, pro-rata in accordance with their respective percentage interest in the Common Expenses or their respective percentage interest in the Residential Common Elements, as the case may be, (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" refers to Wellington Fee LLC, a Delaware limited liability company, and its successors and assigns as well as any other Person designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan.

"Tenant-Purchaser" refers to a Bona-Fide Tenant who purchases the Residential Unit which such tenant occupied on the Filing Date of the Plan.

"Terrace" refers to a terrace or balcony appurtenant to a Residential Unit, which are Residential Limited Common Elements.

"Title Company" refers to Commonwealth Land Title Insurance Company, having an office at Two Grand Central Tower, 140 East 45th Street, 22nd Floor, New York, New York 10017; phone: (212) 949-0100; Fax: (212) 697-5644 or Counsel Abstract, having an office at 400 Park Avenue, 3rd Floor, New York, New York 10022; phone: (212) 355-2460; Fax: (212) 697-5644.

"Unit" refers to any of the "Units," as such term is defined in Condominium Act, located in the Building, which Units are more particularly described on Schedule A and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans.

"Unit Owner" refers to any Person (including Sponsor, if Sponsor owns any Unsold Residential Unit) who holds fee title to one or more Units at the time in question. All such owners are collectively referred to as "Unit Owners".

"Unsold Residential Unit" refers to any Residential Unit owned or retained by Sponsor (or Sponsor's designee as a fee owner, tenant, subtenant or party responsible for the management and financial obligations with respect to such Residential Unit) which may or may not be offered pursuant to the Plan and to any Residential Unit for which there is a signed Purchase Agreement but for which a Closing has not yet occurred.

"Unsold Residential Unit Owner" refers to Sponsor or a principal of Sponsor and (if applicable) a person designated by Sponsor.

"Valet Unit" refers to the Valet Unit located on a portion of the first floor of the Building (and more particularly described in Schedule A to the Plan and in Articles 5 and 6 of, and Exhibit B to, the Declaration and on the Floor Plans) and such other Valet Units which may be created as a result of subdivisions or subsequent combination of such Unit(s).

"Valet Unit Owner" refers to any Unit Owner of a Valet Unit at the time in question. Multiple Owners of Valet Units are referred to together as "Valet Unit Owners."

CONDOMINIUM BY-LAWS

EXHIBIT D

TO THE DECLARATION

BY-LAWS

OF

WELLINGTON TOWER CONDOMINIUM

Prepared by:

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BY-LAWS

ARTICLE 1
GENERAL

Section 1.1 *Purpose.* The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-Laws.* These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-Laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and, with respect to Residential Units only, the Residential Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and with respect to Residential Units only, the Residential Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2
CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and

shall be, the agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-Laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith, (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium;

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners and Residential Common Charges from the Residential Unit Owners;

(vi) to borrow money on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law (and in compliance with the provision of Section 5.4 hereof)

when required in connection with the operation, maintenance, repair, restoration, addition, improvement, alteration and replacement of the Common Elements and/or the Units. Provided, however, that: (a) the affirmative consent of Unit Owners owning in the aggregate at least 66 2/3% of the aggregate Common Interests shall be required for the borrowing of any sum of $250,000 or more in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) or the affirmative consent of at least 4/5^{ths} of the members of the Condominium Board with respect to any sum less than $250,000 shall be required; (b) the borrowing may not occur earlier than the 5th anniversary of the First Closing; (c) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subsection (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest, as applicable, bears to the aggregate Common Interests of all Unit Owners, as applicable, shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners and Residential Common Charges collected from the Residential Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses from the Unit Owners and Residential Common Expenses, as the case may be, from the Residential Unit Owners; (b) the making of restorations, additions, alterations and improvements to the Common Elements; and (c) the expenses incurred in connection with an indemnification of the members of the Condominium Board and officers pursuant to the terms of Section 2.20 hereof.

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof and to require individual Unit Owners to obtain and maintain liability and property insurance;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these;

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $250,000, for: (a) all members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses;

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Article 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiv) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners (including purchasing the Resident Manager's Unit pursuant to the Offering Plan), in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners;

(xvi) to sell, license, lease, mortgage, operate, maintain and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners including the Resident Manager's Unit, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the votes appurtenant to any such Unit;

(xvii) to adopt and amend the Residential Rules and Regulations and to levy and authorize collection of fines against Residential Unit Owners for violations of the Residential Rules and Regulations and these By-Laws (any such fines and fees shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied);

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and all other agreements and documents, recorded or otherwise, to which the Condominium is a party or beneficiary and to bring or defend against any proceedings that may be instituted in such regard on behalf of, or against, the Condominium and/or the Unit Owners, as the case may be, including, but not limited to filing and foreclosing liens against Unit Owners for unpaid Common Charges or Special Assessments;

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and By-Laws;

(xx) to organize corporations or other legal entities to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium;

(xxi) to execute, acknowledge and deliver: (a) any declaration (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate;

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same;

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Residential Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax

assessments and tax certiorari proceedings with respect to all Residential Units and to assess any costs incurred thereby as a Residential Common Expense;

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a tenant of a Unit Owner if such authorized guest and/or tenant does not conform to the Residential Rules and Regulations of the Condominium, as same may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or tenant, including reasonable attorney's fees, shall be borne by the Unit Owner;

(xxv) to impose move-in and move-out fees and transfer fees and charges in connection with the sale, lease or alteration of a Residential Unit, provided no such fees or charges or other conditions of transfer or lease may be imposed upon Sponsor or Commercial Unit Owners;

(xxvi) to carry out any other duties imposed upon the Condominium Board or otherwise reasonably contemplated pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.* Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor shall continue to own Units representing at least 25% of the Common Interest in the aggregate attributable to all Units, the Condominium Board may not, without Sponsor's prior written consent:

(a) make any addition, alteration, or improvement to the Residential Common Elements or to any Unit, unless the same shall be required by Law;

(b) assess any Common Charges, Residential Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a working capital, 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 contracts for work or otherwise contract for work or otherwise provide services not covered in the First Year's Budget, except as is required to reflect normal annual increases in operating services;

(e) borrow money on behalf of the Condominium; or

(f) exercise a right of first refusal to lease or purchase a Unit.

The written consent of Sponsor shall not be necessary to perform any function or take any action described in clauses (i) through (iii) above, if, and only if, the performance of such action or the carrying out of such action is deemed necessary (and no other reasonable alternative is available) to enable the Condominium to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer. In no event will the limitations imposed herein continue for more than 5 years from the First Closing.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of three members of the Condominium Board, at least one of whom shall be a member designated by Sponsor for so long as Sponsor shall have the right to designate or elect one or more members of the Condominium Board, and shall maintain minutes of all meetings at which a majority of its members are in attendance.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board by unanimous vote of all members may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv) and (xvi) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law or delegated pursuant to paragraph (C) of this Section 2.6.

Section 2.7 *Number, Election and Qualification of Members.* Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of whom are to be designated from time to time by Sponsor. From and after the first annual meeting of the Unit Owners through the Initial Control Period, the Condominium Board shall consist of 7 individuals, 5 of whom shall be designated by the Sponsor and two of whom shall be elected by the Unit Owners (including Sponsor and Commercial Unit Owners). After the Initial Control Period ends, Sponsor shall continue to designate two members to the Condominium Board so long as the Common Interests attributable to the Unsold Residential Units equal, in the aggregate, less than 50% but more than 15% of the aggregate Common Interests appertaining to all Units; and thereafter, one member for so long as at least a single Unsold Residential Unit remains. Except for members designated by Sponsor and Commercial Unit Owners pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all members of the Condominium Board shall be either: (i) individual Unit Owners or adult Family Members of an individual Unit Owner; or (ii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, or trusts that are Unit Owners. In addition, no Unit Owner may be elected to serve on the Condominium Board, (nor may continue to serve on the Condominium Board) if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than

one individual owner of a designated Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members.* The term of office of the 3 members of the Condominium Board designated by Sponsor prior to the first annual meeting of the Unit Owners shall expire when the individuals to be elected at such meeting are so elected and qualified or designated, as the case may be. At the first annual meeting of Unit Owners, the term of office of the members elected by the Unit Owners shall be for terms of one year each. Sponsor designees and successive members elected by Unit Owners shall serve for one year terms. Notwithstanding anything to the contrary contained in this Section 2.8, however, each member of the Condominium Board shall serve until his successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member may serve.

Section 2.9 *Removal and Resignation of Members.*

(A) Any member of the Condominium Board who was elected thereto either by the Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by an affirmative vote of a Majority of Unit Owners who are present in person or by proxy at a special meeting called for that purpose with a quorum of Unit Owners in attendance. Any member of the Condominium Board who was designated as such or elected by Sponsor or Commercial Unit Owners, as the case may be, pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor or Commercial Unit Owners, as the case may be. If any member of the Condominium Board who was designated by Sponsor or Commercial Unit Owners, as the case may be, is removed, his successor shall also be designated by Sponsor or Commercial Unit Owners, as the case may be. Any member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof stating inter alia, whether the proposed removal is with or without cause, and an opportunity to be present and heard thereat.

(B) Any member of the Condominium Board may resign such member's membership at any time by giving written notice thereof to the Condominium Board and, with respect to members of the Condominium Board designated as such by Sponsor or Commercial Unit Owners, to Sponsor or Commercial Unit Owners. In addition, any member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned such member's membership effective as of the date upon which such qualification shall cease.

Section 2.10 *Vacancies.*

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was elected thereto by the Unit Owners shall be filled by an individual who is qualified to be a member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the members of the Condominium Board then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy within 90 days after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was designated as such or elected by Sponsor or Commercial Unit Owners, as the case may be, shall be filled by an individual designated by Sponsor or Commercial Unit Owners, as the case may be.

(C) Each member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall

serve as a member of the Condominium Board for the remainder of the term of the member replaced and until his successor shall be selected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within 30 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the members of the Condominium Board and designated by the Secretary in a written notice given to all members thereof by personal delivery, mail, or overnight courier, facsimile or e-mail not later than 5 business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the members thereof, provided that at least 4 such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each member thereof by personal delivery, mail or overnight courier, facsimile or e-mail at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board.* The President may call a special meeting of the Condominium Board whenever he deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of two or more members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each member thereof by personal delivery, mail, or overnight courier, facsimile or e-mail at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting and no business shall be transacted at such special meeting except business reasonably related to such stated purpose.

Section 2.14 *Waiver of Notice of Meetings.* Any member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver by the member of notice of the time and place thereof. If all of the members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board.* For purposes of all meetings of the Condominium Board, a majority of the members thereof shall constitute a quorum for the transaction of business. In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings.* The President shall preside at all meetings of the Condominium Board, and the Secretary or its designee shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board.* Except as otherwise provided in the Declaration or these By-Laws, the vote of a majority of the members of the Condominium Board present in person or present by telephonic means at a meeting thereof at which a quorum is present shall constitute the decision of the Condominium Board. Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members.* No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium* Board. Each member of the Condominium Board shall perform his duties, and shall exercise his powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such member was counted for such purpose, provided, however, that either:

(i) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such members; or

(ii) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction.

Any such member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, and may participate in the discussions, but no such member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification.*

(A) Indemnification of Board Members and Officers.

(i) Any person made, or threatened to be made, a party to an action or proceeding (other than one by or in the right of the Condominium to procure a judgment in its favor), whether civil or criminal, including an action by or in the right of the Condominium, which any member of the Condominium Board or an officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that he, his testator or intestate, was a member of the Condominium Board or an officer of the Condominium, shall be defended and indemnified by this Condominium, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred by him in defense of such action or as a result of such action or proceeding, or any appeal therein, except that no indemnification shall be made to or on behalf of any member of the Condominium Board or an officer if a judgment or other final adjudication adverse to the member of the Condominium Board or an officer establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty and were

material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

(ii) The termination of any such civil or criminal action or proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such member of the Condominium Board or officer acted in bad faith or that his acts were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

(iii) The Condominium shall defend and indemnify any person made, or threatened to be made, a party to an action by or in the right of the Condominium to procure a judgment in its favor by reason of the fact that he, his testator or intestate, is or was a member of the Condominium Board or officer of the Condominium, or is or was serving at the request of the Condominium as a member of the Condominium Board or officer against amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein, if such member of the Condominium Board or officer acted, in good faith, for a purpose which he reasonably believed to be in the best interest of the Condominium, except that no indemnification shall be made to or on behalf of any member of the Condominium Board or officer if a judgment or other final adjudication adverse to the member of the Condominium Board or officer establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

(iv) Payment of any amount due an officer or member of the Condominium Board, former officer or member of the Condominium Board or the beneficiaries of a deceased former officer or member of the Condominium Board pursuant to the indemnification created by Subsections A (i), (ii) or (iii) above shall be authorized by:

(a) court order; or

(b) by the Condominium Board acting by a quorum consisting of members of the Condominium Board who are not parties to such action or proceeding upon a finding that the member of the Condominium Board or officer has met the standard of conduct established pursuant to Subsections A (i), (ii) or (iii) above; or

(c) if a quorum under subparagraph (b) is not obtainable or, even if obtainable, a quorum of disinterested directors so directs; or

(d) where a person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in Section 722 of the Business Corporation Law as authorized in such Section:

(1) by the Condominium Board upon the opinion in writing of independent legal counsel that indemnification is proper in the circumstances because the applicable standard of conduct set forth in Subsections A(i), (ii) or (iii) above has been met by such member of the Condominium Board or officer; or

(2) by the Unit Owners of the Condominium upon a finding that the member of the Condominium Board or officer has met the applicable standard of conduct set forth in Subsections A (i), (ii) or (iii) above.

(v) Expenses incurred in defending a civil or criminal action or proceeding shall be paid by the Condominium in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such member or officer to repay such amount if the person receiving such advancement or allowance is ultimately found, under the procedure set forth in this Section, not to be entitled to indemnification or, where indemnification is granted, to the extent the expenses so advanced by the Condominium or allowed by the court exceed the indemnification to which he is entitled.

(vi) No indemnification, advancement, or allowance shall be made under this Section in any circumstance where it appears that if there has been a settlement approved by the court, that the indemnification would be inconsistent with any condition with respect to indemnification expressly imposed by the court in approving the settlement.

(vii) If any expenses or other amounts are paid by way of indemnification, otherwise than by court order or action by the Unit Owners, the Condominium shall, not later than the next annual meeting of Unit Owners unless such meeting is held within 3 months from the date of such payment, and, in any event, within 15 months from the date of such payment, mail to its Unit Owners of record at the time entitled to vote for the election of members of the Condominium Board a statement specifying the person(s) paid, the amount(s) paid, and the nature and status at the time of such payment of the litigation or threatened litigation.

(B) Insurance for Indemnification of Board Members and Officers:

(i) Subject to paragraph (B)(ii) below, the Condominium Board shall have power to purchase and maintain insurance:

(a) to indemnify the Condominium for any obligation which it incurs as a result of the indemnification of members and officers under the provisions of this Section 2.20; and

(b) to indemnify the members and officers in instances in which they may be indemnified by the Condominium under the provisions of this Section 2.20; and

(c) to indemnify members and officers in instances in which they may not otherwise be indemnified by the Condominium under the provisions of this Section 2.20, provided the contract of insurance covering such members and officers provides, in a manner acceptable to the Resident Manager of insurance, for a retention amount and for co-insurance.

(ii) No insurance under paragraph (B)(i) above may provide for any payment, other than cost of defense, to or on behalf of any member or officer:

(a) if a judgment or other final adjudication adverse to the insured member or officer establishes that his acts were committed in bad faith, or that his acts of active and deliberate dishonesty were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled, or

(b) in relation to any risk the insurance of which is prohibited under the Insurance Law of the State of New York.

(iii) Insurance under any and all subparagraphs of paragraph (B) may be included in a single contract or supplement thereto. Retrospective rated contracts are prohibited.

(C) Nothing contained in this Section 2.20 shall limit any right to indemnification to which any member or any officer may be entitled by contract or under any law now or hereinafter enacted.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary/Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as he may decide, in his discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President.* The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary/Treasurer.* The Secretary/Treasurer shall (i) keep the minutes of all meetings of the Unit Owners and of the Condominium Board; (ii) have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL; (iii) 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; (iv) be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board; and (v) in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.5 *Election, Term of Office and Qualification of Officers.* The initial officers of the Condominium will be designated by the Sponsor. Thereafter the officers of the Condominium shall be elected annually by a majority vote of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Secretary/Treasurer shall be elected from amongst the members of the Condominium Board. Such officers need not be Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor or Commercial Unit Owners. Such officers must be Residential Unit Owners if they are elected by the other Residential Unit Owners. The other officers of the Condominium Board need not be Residential Unit Owners and need not have any interest in the Condominium.

Section 3.6 *Removal and Resignation of Officers.* Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Secretary/Treasurer of the Condominium shall cease to be or shall be suspended as a member of the Condominium Board during his term of office, such officer shall be deemed to have resigned his office effective upon the date upon which such member's membership shall cease.

Section 3.7 *Vacancies.* Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.8 *Compensation of Officers.* No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.9 *Indemnification of Officers.* Each officer shall be indemnified as set forth in Section 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners.* The first annual meeting of the Unit Owners shall be held approximately 30 days before or after the first anniversary of the First Closing, or within approximately 30 days of the conveyance by Sponsor of more than 50% of the aggregate Common Interest appertaining to all Residential Units (whichever occurs first), at which meeting a 7 member Condominium Board shall be elected by Unit Owners, including Sponsor (subject to Sponsor's right to designate members, as provided both in this Article 4 and in Article 2 hereof). Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of the first annual meeting. At each such subsequent meeting, the Unit Owners (including Sponsor, so long as Sponsor owns any Unit) shall elect successors to the members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners.* The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, no less than 40% of the Common Interest of all Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings.* Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings.*

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or overnight courier, facsimile or e-mail addressed to his address at the Property, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Unit Owner may designate an

address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of the Unit Owners*. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Unit Owners having no less than 50% of the aggregate Common Interest of all Unit Owners shall constitute a quorum at all meetings of Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings*. The President shall preside at all meetings of the Unit Owners, and the Secretary/Treasurer shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business*. The order of business at all meetings of the Unit Owners shall be as follows:

(i) Roll Call;

(ii) Proof of notice of meeting;

(iii) Reading of the minutes of the preceding meeting (unless waived);

(iv) Reports of officers of the Condominium;

(v) Reports of members of the Condominium Board;

(vi) Reports of committees;

(vii) Election of inspectors of election (when so required);

(viii) Election of members of the Condominium Board (when so required);

(ix) Unfinished business; and

(x) New business.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting*.

(A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor with respect to any Unsold Units) shall be entitled to vote at all meetings of the Unit Owners.

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium, the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes and for quorum purposes.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two or more Persons own a Unit, they shall designate one Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under one ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner(s) of any Unit may designate any Person to act as a proxy on his behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of six months after the date thereof.

Section 4.9 *Election of Members to the Condominium Board.*

(A) When voting for Residential members of the Condominium Board, each Unit Owner (including Sponsor with respect to any Unsold Units) shall be entitled to cast one vote for each .0001% of Common Interest attributable to his Unit(s) ("Votes") for each member to be elected. However, nothing contained herein shall be deemed to permit any Unit Owner to cumulate such Votes in favor of any one or more members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of members of the Condominium Board.

(B) All elections of members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Unit(s) owned by the voting Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of two years.

(C) Subject to the terms of paragraph (D) of this Section, all elections of members of the Condominium Board shall be determined by plurality vote of Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Units owned by Sponsor as it sees fit. However, at elections of members to the Condominium Board held during the Initial Control Period, Sponsor will have the right to designate 5 of the 7 members to the Condominium Board, the Commercial Unit Owners shall have the right to designate 2 members, and Sponsor and all other Unit Owners shall have the right to vote for the remaining members of the Condominium Board.

(E) Subsequent to the Initial Control Period, Sponsor shall have the right to designate two members to the Condominium Board so long as the Common Interests attributable to the Unsold Residential Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests attributable to all Units and, thereafter, for so long as Sponsor continues to own one Unsold Residential Unit, Sponsor shall have the right to designate one member to the Condominium Board. Sponsor always shall have the right to vote its Common Interest attributable to the Unsold Units for the remaining members of the Condominium Board. There is no restriction on the right of Commercial Unit Owners or the Unsold Unit Owners (including Sponsor) to vote for members of the Condominium Board who are not related to or affiliated with Sponsor or other Unsold Unit Owners.

(F) Within 30 days after the expiration of the Initial Control Period, 1 of the 3 members of the Condominium Board designated by Sponsor shall resign and the resulting vacancy shall be filled by a majority vote of the remaining members of the Condominium Board (excluding members designated by Sponsor) at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

(G) The Commercial Unit Owners, acting collectively, shall be entitled to designate two Commercial Members to the 7 member Condominium Board at the First Annual Meeting of Unit Owners and at subsequent annual meetings of Unit Owners.

Section 4.10 *Action Without a Meeting.* Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and in aggregate Common Interests whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.11 *Title to Units.* Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity (including an entity or person entitled to diplomatic or sovereign immunity) shall require the delivery to the Condominium Board or the Managing Agent of such documents as reasonably requested by the Condominium Board, including, without limitation; (i) a subjection to jurisdiction and designation of agent by approved form of Power of Attorney, (ii) occupancy agreement; (iii) guaranty of payment; (iv) escrow agreement; and (v) an amount equal to the current common charge for such Unit for a period of two years, to be held in escrow by the Condominium Board, as security for the faithful observance by such Residential Unit Owner of the terms, provisions and conditions contained in these By-Laws.

Section 4.12 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any Resident Manager or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.9 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the

aggregate Common Interests of all Unit Owners in the case of a contract relating to the General Common Elements; (ii) such proportionate share of the total liability thereunder as relating to Residential Common Interest of such Residential Unit Owner in a case relating to the Residential Common Elements; and (iii) such Unit Owner's interest in his Unit and its Appurtenant Interests, unless otherwise provided by Law or as otherwise provided in the Declaration or in these By-Laws.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof (including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and Terrace doors, the interior face of all entrance doors and their interior facing frames and saddles, exposed plumbing, gas and heating fixtures and equipment, fireplace and flue, trellis, heating and cooling systems (i.e., incremental units), lighting fixtures and electrical panel, outlets, switches, branch wiring and fixtures and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein) shall be performed by the owner of such Unit at such Unit Owner's sole cost and expense; and

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost thereof charged to all Unit Owners as a General Common Expense;

(iii) in or to the Residential Common Elements (other than any Residential Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Residential Common Expense.

(iv) in or to the Limited Common Elements, specifically including Terraces and the appurtenances thereto, except as set forth in paragraph (B) of Section 5.8 hereof, shall be performed (a) by the Condominium Board as a Common Expense, if involving structural maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Unit Owner having direct and exclusive access thereto), or (b) by the Unit Owner having direct and exclusive access thereto at such Unit Owner's sole cost and expense, if involving ordinary maintenance of Terraces. Notwithstanding the above, the Unit Owner is responsible for ordinary maintenance of Terraces and for keeping Terraces free of snow, ice, debris and water accumulation and for replacing and/or repairing the lighting fixtures, bulbs, exposed water lines (i.e. spigots) and electrical outlets on the Terraces.

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the

Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a General Common Expense attributable to all Unit Owners if relating to the General Common Elements and as a Residential Common Expense attributable to all Residential Unit Owners if relating to the Residential Common Elements, except to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements and Residential Limited Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice, debris and accumulation of water with respect to any roof, Terrace, skylight or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those residential areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Residential Unit Owner, with respect to the interior surfaces of windows and shades, Venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Residential Unit. To promote a consistent appearance of the Building from the outside, no Residential Unit Owner shall be allowed to enclose, erect a greenhouse and/or alter the Terrace (or trellis located thereon) appurtenant to a Residential Unit in such a way that will alter the conformity of the Building, without the prior written consent of the Condominium Board. The Commercial Unit Owners shall be responsible, at such Unit Owner's sole cost and expense, for washing, cleaning and replacing because of breakage the exterior and interior glass surfaces of windows located in the Commercial Units (unless the breakage is caused by the Condominium Board or any other Unit Owner, in which event the replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner). The Commercial Unit Owners shall have the sole and exclusive right to determine the appearance of the Commercial Units, including the storefronts, their windows and their general appearance from the exterior of the Building. The Commercial Unit Owners shall solely make all decisions with respect to the painting, decorating, maintenance, repairs and replacement, whether structural or non-structural, ordinary or extraordinary, of the Commercial Units.

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Section 5.1 (or of any Limited Common Elements for which such Unit Owner is responsible under the Declaration or these By-Laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within 5 days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately

payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units.*

(A) Subject to the terms of paragraph (B) of this Section 5.2, no Unit Owner may make any structural alteration, addition, improvement or repair, in or to his Unit or its appurtenant Residential Limited Common Elements without the prior written approval of the Condominium Board. In the event, however, that the Condominium Board or the Managing Agent shall fail to answer any written, reasonably detailed request for such approval within 45 days after such request is received, such failure to respond shall constitute the Condominium Board's consent thereto. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, or improvement, may be made, including, without limitation, the indemnity referred to in paragraph (D) hereof and the days and hours and length of time during which any such work may be done. The Condominium Board and the Managing Agent may impose charges upon the Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Unit Owner's request for approval and thereafter in monitoring the work performed until completion.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Sponsor shall have the right, to (i) make any alterations, additions, improvements, renovations, or repairs in or to any Unsold Unit or its appurtenant Residential Limited Common Elements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, (ii) subdivide, combine and change the boundary walls of Unsold Units, and (iii) make any other change to any Unsold Unit as permitted under Article 12 of the Declaration all without charge and without the approval of the Condominium Board or the Managing Agent and the Condominium shall fully cooperate with Sponsor and its contractors and employees in this regard.

In addition, the Commercial Unit Owners shall have the right to: (i) make any alterations, additions, improvements or repairs in or to the Commercial Units whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of the Commercial Units, all without the approval of the Condominium Board or other Unit Owners. Notwithstanding the foregoing, all Unit Owners, including Sponsor and the Commercial Unit Owners, prior to the making of any alteration, addition, improvement or repair in or to their respective Unit must (i) procure and maintain such insurance as the Condominium Board may reasonably require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work and (iii) with respect to Residential Unit Owners only, abide by the Residential Rules and Regulations of the Condominium, including, but not limited to , the days and hours during which work may be done.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with the terms and provisions of any alteration agreement (with respect to Residential Units only) and all policies implemented by the Condominium Board or the Managing Agent, as the case may be, and in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Limited Common Elements (but other than that of the nature described in paragraph (B) hereof related to the Sponsor's rights with respect to Unsold Units), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, or their Unit(s) and/or appurtenant Limited Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his or their Unit(s) and/or appurtenant Limited Common Elements, shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements.* Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the General or Residential Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a General Common Expense attributable to all Unit Owners or a Residential Common Expense attributable to all Residential Unit Owners. Notwithstanding the foregoing, however, and with the sole exception of alterations, additions or improvements to the Common Elements required by Law, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, equal or exceed $250,000 with respect to the General Common Elements, at any one time in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by Unit Owners (including Sponsor if Sponsor then owns any Unsold Unit) owning at least 66 2/3% of the aggregate Common Interests present in person or by proxy, at a duly constituted meeting of the Unit Owners or by means of such other procedure as approved by the Board of Managers. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing less than $250,000 at any one time in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives but only with the affirmative consent of at least 4/5^{ths} of the members of the Condominium Board. Notwithstanding the foregoing, for so long as Sponsor owns Residential Units representing at least 25% of the Common Interest attributable to all Units, but in no event beyond the 5th anniversary of the First Closing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained. Sponsor will not withhold consent to any addition, alteration or improvement to the General or Residential Common Elements, if such addition, alteration or improvement is deemed required to comply with Law (and no other reasonable alternative is available), or to remedy any notice of violation or to remedy any work order by an insurer.

Section 5.4 *Insurance.*

(A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of Unit Owners) and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interest may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subsection (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 10 days' prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board shall also obtain and maintain, to the extent practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his own Unit or its Limited Common Elements, if any);

(ii) rent insurance;

(iii) worker's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage legal liability insurance;

(vi) officers' and directors' liability insurance;

(vii) fidelity bonds;

(viii) commercial umbrella insurance; and

(ix) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subsection (i) of paragraph (B) hereof, such policies shall contain aggregate limits of not less than $2,000,000 in the aggregate; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subsection (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Unit Owners as a General Common Expense or by the Residential Unit Owners as a Residential Common Expense, depending on the item to which the coverage relates.

(E) (a) The Condominium Board, in its sole discretion, may require, and Unit Owners shall not be prohibited from, carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

(b) Each Residential Unit Owner shall, at the Residential 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 Residential Unit or any part thereof, with minimum combined single limits of liability of $300,000 for bodily injury or death arising out of any one occurrence including $300,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Residential Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. Evidence of such insurance must be provided by the Purchaser at the Closing of Title of each Residential Unit and thereafter, whenever requested by the Condominium Board or the Managing Agent.

Section 5.5 *Casualty or Condemnation.*

(A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Residential Common Elements and/or Residential Limited Common 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 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee,

if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss or Taking of the Common Elements and the Units or the Limited Common Elements and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances, fixtures, improvements made therein by a Unit Owner, or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. Each Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 hereof, to supervise any redecorating of his Unit or of such Limited Common Element, if any.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, for Work to the Common Elements and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, with respect to Work to the Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, with respect to Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor if Sponsor shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either

fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the Common Elements or the Limited Common Elements except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit in the order of priority of such liens.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant 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 and new Residential Common Interest, where applicable, appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and new Residential Common Interest, where applicable, of such Unit and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) 60 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed in a Residential Unit that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. In the event that the rate of insurance for the Property is increased as a direct result of a particular or unique use being made of the Commercial Units, and not as a result of the typical uses for which the Commercial Units may be occupied or for which commercial spaces in similar buildings are normally occupied, the Commercial Unit Owners shall be obligated to pay the amount of such increase in the rate of insurance. In the event that the rate of insurance for the Property is increased as a direct result of a particular or unique use being made of a Commercial Unit and not as a result of the typical uses for which the Commercial Units may be occupied or for which commercial spaces in similar buildings are normally occupied, the Commercial Unit Owners shall be obligated to pay the amount of such increase in the rate of insurance. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 *Use of the Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in this Section 5.7.

(B) Each Residential Unit shall be used only as a residence and not more than one family may occupy a Residential Unit at any one time. Except as to Unsold Residential Units, no transient occupant may be accommodated in a Residential Unit. A Residential Unit owned or leased by an individual, corporation, partnership, or trust may be occupied only by an individual, or by an individual designated officer, director, stockholder or employee of such corporation, or by an individual designated partner or employee of such partnership, or by an individual designee and/or beneficiary of such trust, subject to deliveries of guarantees and such further documentation requested by the Condominium Board, in its sole discretion, or by the Family Members of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any Residential Unit by such Family Members). Notwithstanding the foregoing, Sponsor (or, after the Initial Control Period, the Condominium Board) may, in its sole discretion, permit Persons other than those set forth above to occupy a Residential Unit. No portion of a Residential Unit (as opposed to the entire Residential Unit) may be sold, conveyed, leased, or subleased. The Commercial Units may be used for the purposes set forth in the Declaration.

(C) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, in addition to the rights set forth in paragraph (B) above, without the consent of either the Condominium Board or the Unit Owners (1) use any Unsold Residential Units as model Units and/or offices for the selling, leasing, management, operation and promotion of the Unsold Residential Units or Commercial Units or for any other purpose, subject only to compliance with Law or (2) sell or lease Unsold Residential Units to third parties.

(D) Commercial Units may be used for any lawful purpose.

Section 5.8 *Use of the Common Elements.*

(A) Subject to the terms of paragraph (B) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and Facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements without the prior written consent of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all 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.

(B) Subject to compliance with Law, the Declaration, these By-Laws and the Residential Rules and Regulations and with the consent of the Condominium Board:

(i) The Owner of any two or more Residential Units, which Residential Units are the only Residential Units serviced or benefited by any Residential Common Element adjacent or appurtenant to such Residential Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Residential Units located on opposite sides of such hallway) may seek the right to use such Residential Common Elements exclusively.

(ii) Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Common Elements chosen by Sponsor including, without limitation, on the exterior walls of the Building or adjacent to the main entrance thereof; (ii) have its employees, contractors, agents, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors, amenity rooms on the seventh floor and the like), to sell, lease, manage, or operate Unsold Residential Units or Commercial Units or any other properties in which Sponsor or its principals have an interest, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Residential Unit for its permitted purposes.

Section 5.9 *Rights of Access.*

(A) Subject to the rights of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the Resident Manager or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to his Unit and its appurtenant Limited Common Elements, if any, for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Residential Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units and their appurtenant Limited Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to his Unit and its appurtenant Limited Common Elements, if any, and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Limited Common Elements, if any, for their permitted purposes.

Section 5.10 *Modification of the Residential Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations from time to time by majority vote, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of Residential Unit Owners owning at least 66 2/3% of the aggregate Common Interests at a meeting of Residential Unit Owners called for that purpose. Copies of the text of any amendments, modifications, additions, or deletions to the Residential Rules and Regulations shall be furnished to all Residential Unit Owners not less than 30 days prior to the effective date thereof.

Section 5.11 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes as a Common Expense. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the Closing of Title to such Unit. To the extent that the Condominium Board pays any such real estate tax as set forth herein, the Condominium Board shall have the right to collect from such selling Unit Owner an amount equal to the real estate taxes to be paid.

Section 5.12 *Fuel.* Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and

cooling) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Residential Unit Owners as a Common Expense for such portion attributable to the Residential Units and/or the Limited Common Elements, or (b) the applicable Commercial Unit Owner for such portion attributable to such Commercial Unit, or (c) all Unit Owners as a Common Expense for such portion attributable to the General Common Elements. In the event there is a particular or unique use being made of a Unit, the Condominium Board shall cause a new survey to be made, the cost of which shall be borne by all the Unit Owners as a Common Expense.

Section 5.13 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Unit and/or the Limited Common Elements, or (b) the applicable Commercial Unit Owner for such portion attributable to such Commercial Unit, or (c) all Unit Owners as a Common Expense for such portion attributable to the General Common Elements. In the event there is a particular or unique use being made of a Unit, the Condominium Board shall cause a new survey to be made, the cost of which shall be borne by all the Unit Owners as a Common Expense.

Section 5.14 *Resident Manager's Unit.* With respect to any Unit either purchased or leased by the Condominium on behalf of the Unit Owners to house the Resident Manager, all costs and expenses of acquiring, leasing, purchasing, financing, maintaining and operating, including Common Expenses, Special Assessments, real estate taxes and other charges shall be borne by the remaining Unit Owners on a proportionate basis in accordance with the allocations set forth in the Condominium's first year's budget set forth in the Offering Plan. Such shared responsibility may result in Unit Owners being assessed for Common Expenses at a rate nominally higher than that reflected as their respective Common Interest.

Section 5.15 *Record and Audits.*

(A) The Secretary/Treasurer of the Condominium, or the Managing Agent under the supervision of such Secretary/Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgages having an interest in such Unit.

(B) Within five (5) months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant in accordance with GAAP. The cost of preparing and distributing each such report shall be borne by the Condominium as a Common Expense. The fiscal year of the Condominium shall be the calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges (and Residential Common Charges) payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges (and Residential Common Charges) are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to (E) hereof, at its sole discretion, from time to time increase or decrease the amount of Common Charges and Residential Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges and Residential Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges and Residential Common Charges payable by Unit Owners and Residential Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Condominium Board shall not reduce the Common Charges and Residential Common Charges payable during any fiscal year occurring within the Initial Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration except with the Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges and Residential Common Charges. In such event, the Common Charges and Residential Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges and Residential Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges and Residential Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses (including, without limitation, the acquisition or leasing of a Unit pursuant to Section 7.3 hereof). All Special Assessments relative to the General Common Elements shall be levied against all Unit Owners in proportion to their respective Common Interests.

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any, General Common Element, or Residential Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute

income of the Unit Owners or the Residential Unit Owners, as applicable and shall be collected on behalf of the Unit Owners or Residential Unit Owners, as applicable by the Condominium Board and applied against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expenses attributable to the Residential Common Elements, as appropriate for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and Residential Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expense attributable to the Residential Common Elements depending on whether the excess relates to the General Common Elements or the Residential Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests, or Residential Common Interests, as appropriate and any such distributions must be made out of the Common Charges and Residential Common Charges collected from Unit Owners. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges and Residential Common Charges (including, without limitation, the provisions of Section 6.4 hereof).

Section 6.2 *Payment of Common Charges*..

(A) All Unit Owners (including Sponsor with respect to Unsold Units for so long as the same are owned thereby) shall be obligated to pay Common Charges, Residential Common Charges, if applicable, and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges and Residential Common Charges and shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) Notwithstanding anything to the contrary contained in subparagraph (A) above, during the Initial Control Period, the Condominium Board, in its sole discretion, shall have the right to waive the Unit Owners' obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided during such period, the basic operating costs of the Condominium (exclusive of reserves) are paid from the Working Capital Fund and any balance by Sponsor.

(C) No Unit Owner shall be liable for the payment of any part of the Common Charges, Residential Common Charges and any Special Assessments assessed against his Unit subsequent to a sale, transfer, or other conveyance by him of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges, Residential Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit, or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage, shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges, Residential Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of

title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges, Residential Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges, Residential Common Charges and Special Assessments. Any remaining unpaid Common Charges, Residential Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time the same is levied.

(D) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor and, in such event, be exempt from the payment of Common Charges, Residential Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges, Residential Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges, Residential Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges, Residential Common Charges and any Special Assessments attributable to such Unit thereafter accruing unless the aggregate Common Interests then appertaining to the Unsold Units constitute 15% or less of the total Common Interests then appertaining to all Units, at least 5 years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Unit(s) being conveyed multiplied by 24.

(E) No Unit Owner shall be exempted from liability for the payment of Common Charges, Residential Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges, Residential Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 Statement of Common Charges. The Condominium Board shall promptly provide a written statement of unpaid Common Charges and Residential Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4 *Common Charge Deposit for Foreign Owners*. Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall deposit with the Condominium Board an amount equal to two (2) times the then current annual Common Charges and Residential Common Charges for such Unit, subject to increase from time to time as such Common Charges and Residential Common Charges increase, together with the full amount of any special assessment levied against, or allocable to, such Unit, as security for the faithful observance by such

Unit owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges and Residential Common Charges or any other sum to which such Unit Owner is in default. In the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten (10) days after notice from the Condominium Board, shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Common Charges, Residential Common Charges and Special Assessments.*

(A) The Condominium Board shall take prompt action to collect any Common Charges, Residential Common Charges and Special Assessments due to the Condominium Board that remain unpaid for more than 15 days after the due date for the payment thereof, including, but not limited to, the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs incurred by the Condominium Board (including reasonable attorney's fees) as a result of its attempt to collect unpaid Common Charges, Residential Common Charges and/or Special Assessments shall be borne by the defaulting Unit Owner as an additional Common Charge or Residential Common Charge. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-aa of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, Residential Common Charges and/or Special Assessments, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, Residential Common Charges and/or Special Assessments, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges and Residential Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges and Residential Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection including but not limited to reasonable attorney's fees, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges and Residential Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges and/or Residential Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and

expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges and/or Residential Common Charges or additional Common Charges, Residential Common Charges and/or Special Assessments, the Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the rental obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The Condominium's acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Board, the Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All expenses incurred by the Board shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1 *General.* Subject to the terms of Section 7.5 hereof and specifically excluding (x) the sale or lease of a Unit owned by Sponsor and (y) the sale or lease of any Commercial Unit; each Residential Unit Owner may (i) sell his Residential Unit, and (ii) lease his Residential Unit for periods of one year or more only, provided however, no Residential Unit Owner may sell or lease his Residential Unit except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Residential Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of said Residential Unit Owner. Said Residential Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Section 7.2 *Right of First Refusal.*

(A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell a Residential Unit together with its Appurtenant Interests and any lease of a Residential Unit ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED". Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Residential Unit Owner executing the same ("Offeree Residential Unit Owner") shall send written notice thereof to the Condominium Board by certified mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as

the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Residential Unit Owner to sell his Residential Unit, together with its Appurtenant Interests, or to lease his Residential Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Residential Unit Owner to the Condominium Board, on behalf of all Residential Unit Owners, that such Offeree Residential Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Residential Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Residential Unit Owner by certified mail not later than 30 days (in the event of a proposed sale) and 15 days (in the event of a proposed lease) after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Residential Unit together with its Appurtenant Interests 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 upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Residential Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding the foregoing, the Condominium Board shall not exercise any right to purchase or lease pursuant to this Article 7 without Sponsor's prior written consent until such time as Sponsor owns Unsold Units representing less than 25% of the Common Interest attributable to all Units but in no event later than 5 years after the First Closing.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by Law in connection with its exercise of its right of first refusal with respect to the sale or lease of a Residential Unit.

Section 7.3 *Acceptance of Offer.*

(A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Residential Unit together with its Appurtenant Interests, to lease such Residential Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the Condominium Board within 45 days after the day upon which the Condominium Board shall give notice of its election to exercise its right of first refusal.

(B) If such Residential Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Unit Owner (other than the Offeree Residential Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Residential Unit subject to the Offeree Residential Unit Owner's existing mortgage or mortgages

pursuant to the Sale Agreement, the Condominium Board may purchase the Residential Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. At the Closing of Title, the Offeree Residential Unit Owner shall convey the Residential Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Residential Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, the New York State Real Property Transfer Gains Tax, the New York State Documentary Stamp Tax and the New York City Real Property Transfer Tax) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Residential Unit Owner and the Condominium Board or its designee as of the Closing Date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Residential Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Residential Unit and the entire Property, as herein provided.

(C) In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Residential Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within 60 days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such 60 day period, then, should the Offeree Unit Owner thereafter elect to sell such Residential Unit together with its Appurtenant Interests or to lease such Residential Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Section 7.2, 7.3 and 7.4 hereof, but not more often than once in any two (2) month period, except the Condominium Board shall have the right to waive this for good cause shown, in its sole discretion.

(B) Any deed of a Residential Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

(C) Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified, or extended without the prior written consent of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign his interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-aa of the Condominium Act.

Section 7.5 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary or Assistant Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Unit Owner in respect to whom the provisions of Sections 7.2 hereof have, in fact, been terminated.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Residential Unit, together with its Appurtenant Interests, by:

(i) the Residential Unit Owner thereof to any of his Family Members, to any combination of the same, or to a trust for the benefit of any of them provided, however, that if the succeeding Residential Unit Owner is an infant or a person judicially declared incompetent of managing his affairs, then such Residential Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Residential Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Residential Unit Owner or to any entity with respect to which such Residential Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof;

(ii) Sponsor and its designees with respect to the Unsold Residential Units;

(iii) the Condominium Board;

(iv) 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

(v) any Permitted Mortgagee or its nominee, who has acquired title to any Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

provided, however, that each succeeding Residential Unit Owner shall be bound by, and his Residential Unit shall be subject to, all of the terms and conditions of this Article 7.

Section 7.6 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 *Payment of Common Charges.* No Unit Owner shall be permitted to convey or lease his Unit unless he shall have paid in full to the Condominium Board all unpaid Common Charges, Residential Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit. However, where the payment of such unpaid Common Charges, Residential Common Charges and/or Special Assessments is to be made by the grantee or provided for out of the proceeds of the sale at Closing, a sale is permitted to take place notwithstanding the foregoing.

Section 7.8 *Power of Attorney.* At the time of acquiring title to a Residential Unit and as a condition thereof, the new Residential Unit Owner shall duly execute, acknowledge and deliver to the representative of his title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Residential Unit Owner's sole cost and expense), the Residential Unit Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.9 *Gifts and Devises, Etc.* Any Unit Owner shall be free to convey or transfer his Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the provisions of this Article 7.

Section 7.10 *Commencement of Time.* The period of time set forth in Section 7.2 for which the Condominium Board has to waive its right of first refusal shall not commence until such time as the Condominium Board or the Managing Agent has received a completed sales or lease package, including all fees set forth therein, as the case may be, from a Residential Unit Owner. If the information provided by the Residential Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Condominium Board shall have the right to request additional information and the 30 day period, or the 15 day period, as the case may be, will commence upon receipt by the Condominium Board of the additional information.

Section 7.11 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees and disbursements paid or incurred by the Condominium Board or by its Managing Agent in connection with any action taken by the Condominium Board with regard to a violation of this Article 7, shall be borne by the Residential Unit Owner in question as Additional Common Charges.

Section 7.12 *Sale or Lease of Commercial Units.*

(A) The Commercial Unit Owners may sell, lease or convey their respective Unit without the consent of the Condominium Board, the Managing Agent, the other Unit Owners or any other Person.

(B) Any proper officer conducting the sale of a Commercial Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or any Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof in a bona fide transaction shall have the same rights as the Commercial Unit Owners to sell or lease such Unit as provided in paragraph (A) above.

(C) Upon the written request of the Commercial Unit Owners, the Condominium Board shall deliver to the Commercial Unit Owners or any designee, a statement indicating that the Commercial Unit Owners are current in their payment of all amounts due under the Declaration and the By-Laws, that no written notice of default has been sent to such requesting party and to the knowledge of the Condominium Board, no such default exists. Any such statement may be relied upon by any mortgagee or purchaser of the Commercial Unit. In addition, upon the written request of the Commercial Unit Owners accompanied by such documentation as is reasonably sufficient to allow the Condominium Board to proceed as hereinafter described, the Condominium Board will enter into a non-disturbance and attornment agreement ("Non-Disturbance Agreement") in a form reasonably satisfactory to such requesting Unit Owners with any tenant ("Tenant") of the Commercial Unit Owners which provides that: (i) the Tenant shall be entitled to continued undisturbed possession of such Unit or portion thereof leased by such Tenant, (ii) the Tenant's rights and privileges under the lease for such Unit or portion thereof ("Lease") shall not be diminished or interfered with by the Condominium Board for any reason whatsoever during the term of the Lease or any extensions or renewals thereof, and (iii) except as provided in the last paragraph of this paragraph (C), the Condominium Board will not join the Tenant as a party defendant in any action or proceeding to foreclose upon the Unit or to enforce any rights or remedies of the Condominium Board under the Declaration and By-Laws which would cut-off, destroy , terminate or extinguish the Lease, provided that (a) the Tenant is not in default (beyond any applicable grace periods) in the payment of rent or additional rent or in the performance or observance of any of the other terms, covenants, provisions or conditions of the Lease, (b) the Tenant is not in default of any of the provisions of the Declaration and By-Laws, both at the time of the request and at the time of execution of the Non-Disturbance Agreement, (c) the Lease is in full force and effect, (d) the Tenant attorns to the Condominium Board and pays to the Condominium Board, all rentals and other monies due and to become due to the Commercial Unit Owners, under the terms of the Lease but only to the extent of a percentage of the unpaid Common Charges due from the Commercial Unit Owners, equal to the percentage of the total square footage of the Commercial Units leased by such Tenant, it being understood that without affecting the Tenant's rights and protection afforded by the Non-Disturbance Agreement, the Tenant shall not be required to pay any rentals or other monies otherwise due or to become due to the Commercial Unit Owners to the Condominium Board if such payment is prohibited by the terms of any non-disturbance agreement granted to such Tenant by the mortgagee of any such Commercial Unit holding a first mortgage on such Commercial Unit. The Non-Disturbance Agreement shall be executed by the Tenant and the Condominium Board and prepared by the Condominium Board at the expense of the Unit Owner requesting the Non-Disturbance Agreement, which expense shall be limited to reasonable actual out-of-pocket expenses incurred by the Condominium Board, including reasonable attorneys' fees and disbursements.

Notwithstanding the foregoing, if it would be procedurally disadvantageous for the Condominium Board not to name or join the Tenant in a foreclosure proceeding with respect to the Commercial Units, the Condominium Board may name or join the Tenant without in any way diminishing or otherwise affecting the rights and privileges granted to, or inuring to the benefit of, the Tenant under this Article.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 General. Each Unit Owner shall have the right to mortgage his Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner other than the Sponsor who mortgages his Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium or the Managing Agent shall maintain such information in a book entitled "Mortgages of Units". The terms and conditions contained in this Section 8.1, however, shall not apply to Sponsor or Commercial Unit Owners.

Section 8.2 Restrictions on Mortgaging..

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his Unit unless and until he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Residential Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Residential Unit shall be made by an Institutional Lender, Sponsor, or by a Residential Unit Owner providing purchase money financing in connection with the sale of his Residential Unit.

Section 8.3 Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his mortgagor(s) in the payment of Common Charges, Residential Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 Performance by Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or

performed by his Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 Examination of Books. Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 Consent of Permitted Mortgagees; Designation of Mortgage Representatives.

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Article 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his Unit or its appurtenant Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach. With respect to the Commercial Units, any such exercise of self-help (other than in

connection with any emergency), shall be done after business hours, minimize any interference with Permitted Users of such Units.

Section 9.2 *Abatement and Enjoinment.* In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

Section 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor or the Commercial Unit Owners in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Sponsor, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or Section 9.2 hereof or (ii) Sponsor or Commercial Unit Owners in connection or with any abatement, enjoinment or remedy of any violation or breach of the Condominium Documents pursuant to Section 9.2 hereof shall be immediately payable by (a) in the event set forth in subsection (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subsection (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.4 shall, for all purposes hereunder, constitute additional Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before one arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within 10 days after his selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute General Common Expenses, to be borne by all Unit Owners, if such arbitration relates to the Units, generally, or to the General Common Elements, and shall constitute Residential Common Expenses, to be borne by all Residential Unit Owners if such arbitration relates solely to the Residential Units or the Residential Common Elements. If such arbitration relates solely to the Commercial Units, such costs and expenses shall be borne by the applicable Commercial Unit Owner(s).

ARTICLE 11

NOTICES

Section 11.1 *General.*

(A) All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at his address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

(B) Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional

addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments ("Special Amendments") affecting or in favor of Sponsor, any Holder of Unsold Residential Unit(s), Sponsor's Permitted Mortgagee, Commercial Units and/or any Permitted Mortgagee, any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of Unit Owners owning at least 66 2/3% of the aggregate Residential Common Interests either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite percentage (where applicable) of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the percentage (where applicable) of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to Special Amendments:

(i) the Common Interest (and Residential Common Interest, if applicable) appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 hereof;

(ii) no amendment, modification, addition, or deletion agreed to pursuant to the terms of paragraph (A) hereof shall be effective without the prior written consent of the Mortgage Representatives, if any, provided, however, that no such consent shall be unreasonably withheld, delayed or conditioned;

(iii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless (in addition to the consent, if required, of the Mortgage Representatives as provided above) not less than 80% of the aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 *Special Amendments.*

(A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by Sponsor

or majority in Common Interest of Commercial Unit Owners, without the consent of the Condominium Board or the Residential Unit Owners, shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor or majority in Common Interest of Commercial Unit Owners, as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor or majority in Common Interest of Commercial Unit Owners certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or majority in Common Interest of Commercial Unit Owners pursuant to the terms of the Declaration and/or these By-Laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws shall be effective in any respect against Sponsor or any Commercial Unit Owner, unless and until Sponsor, or the affected Commercial Unit Owner (as the case may be) shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, subsection (iv) or (v) of paragraph (B) of Section 7.6 or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

(D) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion which shall materially and adversely affect the interest of Sponsor's Permitted Mortgage or shall effect the priority or validity of lien of a purchase money mortgage or blanket mortgage held by an Institutional Lender shall be effective without the prior written consent of Sponsor and the Mortgage Representatives, if any, which consent shall not be unreasonably withheld, delayed or conditioned.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If the Condominium Board, any Unit Owner, or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action that the Condominium Board, such Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor or a Commercial Unit Owner, then Sponsor or such Commercial Unit Owner is hereby authorized, as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-Laws, the Residential Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 14.2 *Waiver.* No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-Laws or of the Residential Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein and in the Declaration shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor or, with the consent of Sponsor, any transferee of all of the then Unsold Units. The rights and/or obligations of the Commercial Unit Owners as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of such Commercial Unit Owner(s), with the consent of such Commercial Unit Owner(s), any transferee of such Commercial Unit.

Section 14.6 *Gender.* A reference in these By-Laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* The Condominium Board intends to act in a manner consistent with enabling the Condominium to be eligible to elect to be treated as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended.

Section 15.2 *Organization.* The Condominium is and will be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property.

Section 15.3 *Inurement.* No part of the Condominium's net earnings shall inure, and the Condominium Board will act in a manner so that no part of such earnings will inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of the Property, and other than by rebate of excess membership dues, fees, or assessments).

Section 15.4 *Residential Use.* Substantially all of the Residential Units are and will be used by individuals for residences.

ADDENDUM TO THE BY-LAWS

RESIDENTIAL RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No velocipedes, bicycles, rollerblades, skateboards, scooters, or similar vehicle shall be operated or worn in any public portions of the Building nor shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrances or such other entrances of the Building designated by the Condominium Board or the Managing Agent. In addition, all servants, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that nurses in the employ of Residential Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Residential Unit Owners, Family Members, guests, tenants, subtenants, licensees, or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrances and by means of the elevator designated by the Condominium Board or the Managing Agent.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Residential Unit or portion of the Building may be used for the storage of any flammable materials or any other materials the storage of which may constitute a building code violation or which will increase the insurance requirements for the Building.

7. No refuse from the Residential Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, Terrace or patios or placed upon the window sills, of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

9. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate or reconfigure any portion of the Common Elements devoted to storage or service purposes in the Building.

10. Nothing shall be done or kept in any Residential Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Residential Unit Owner shall permit anything to be done or kept in his Residential Unit, his Terrace, or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Residential Unit Owner or any of his Family Members, tenants, subtenants, agents, servants,

employees, licensees, or visitors shall, at any time, bring into or keep in his Residential Unit any inflammable, combustible, toxic, noxious or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Residential Unit.

11. There shall be no barbecuing in the Residential Units, in their appurtenant Limited Common Elements, if any, or in the Common Elements.

12. No Residential Unit Owner shall make, cause, or permit to occur any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Residential Unit or its appurtenant Limited Common Elements, if any, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Residential Unit Owner's Residential Unit or its appurtenant Limited Common Elements, if any, between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or cause to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M.. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 4:00 P.M., unless such construction or repair work is necessitated by an emergency.

13. No bird, reptile, or domesticated animal ("Pet") shall be permitted, raised, bred, kept, or harbored in, on or about the Building unless, in each instance, the same shall have been expressly permitted in writing by the Condominium Board or the Managing Agent acting on the Condominium Board's behalf. Any such consent, if given, shall be revocable at any time by the Condominium Board or the Managing Agent in their sole discretion. The prohibition set forth in the preceding sentence shall not apply to a Residential Unit Owner who can establish that he or she was housing a Pet in his or her Residential Unit prior to purchasing his or her Residential Unit ("Grandfathered Pet"). However, upon the removal or death of a Grandfathered Pet, a Residential Unit Owner shall be required to seek permission to house any replacement Pet. In no event shall any Pet be permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

14. No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Residential Unit shall be used for home occupation purposes in conformance with the Declaration and the By-Laws, no clients or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

15. Unless expressly authorized by the Condominium Board in each instance, not less than 80% of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise reducing material.

16. No window guards or other window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any windows of any Residential Unit be colored or painted.

17. No additional or supplemental ventilator or air-conditioning device including, but not limited to, through-the-wall devices shall be installed in any Residential Unit or its appurtenant Limited Common Elements, if any, without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

18. No radio or television aerial or satellite antenna or receiver shall be attached to or hung from the exterior of the Building by any Residential Unit Owner, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed by any Residential Unit Owner on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

19. All radio, television, or other electrical equipment of any kind or nature installed or used in each 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.

20. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of such Residential Unit.

21. Each Residential Unit Owner shall keep his Residential Unit and its appurtenant Limited Common Elements, if any, in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

22. The agents of the Condominium Board or the Managing Agent, and any contractor or workman authorized by the Condominium Board or the Managing Agent, may enter any room or Residential Unit at any reasonable hour of the day, on at least one day's prior 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 reasonable manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

23. The Condominium Board or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to his Residential Unit at any time when an entry therein is necessary or permissible under these Residential Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Residential Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

24. If any key or keys are entrusted by a Residential Unit Owner, by any Family Member thereof, or by his tenants, subtenants, agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Residential Unit Owner's Residential Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 23 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

25. Residential Unit Owners and their respective Family Members, tenants, subtenants, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter

upon, or attempt to enter upon, the roof of the Building unless such roof is part of a Terrace or the Residential Unit.

26. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

27. Any consent or approval given under these Residential Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

28. No Residential Unit Owner shall install or maintain any plantings on any Terrace without the prior written approval of the Condominium Board and except in compliance with Law. If approved, plantings shall be placed in containers with lightweight soil, impervious to dampness and standing on supports at least two inches from the Terrace, balcony, patio or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such Terrace, patio or roof but shall stand on supports at least two inches above such surface. No planting shall be permanently affixed to a Terrace, exterior wall, railing or roof surface but shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the soil and containers in good condition, and the drainage tiles and weep holes in operating condition. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Condominium Board shall have an easement and a right of access to the Terrace, patio or roof appurtenant to a Residential Unit to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same. In the event the Condominium or Managing Agent deems it necessary to undertake a repair or replacement to any Terrace, patio or roof, then in the event that the Managing Agent determines that plantings and/or other objects need to be temporarily relocated, same shall be done at the Residential Unit Owner' sole cost and expense.

29. No Residential Unit Owner shall enclose, erect a greenhouse and/or alter the Terrace appurtenant to a Residential Unit (including the trellis) without the prior written consent of the Condominium Board and no Residential Unit Owner may have wind chimes on any Terrace or patio.

30. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and to the Managing Agent.

EXHIBIT E

TO THE DECLARATION

RESIDENTIAL UNIT POWER OF ATTORNEY

RESIDENTIAL UNIT POWER OF ATTORNEY

Terms used in this Residential Unit Power of Attorney which are used (a) in the declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as Wellington Tower Condominium ("Condominium") and by the street number 350 East 82nd Street, New York, New York under Article 9-B of the Real Property Law of the State of New York, dated _____, ____, and recorded in the New York County Office of the Register of The City of New York on _____, ____ as CRFN#_____ , or (b) in the By-Laws of the Condominium ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, (having an office) (residing at) _____, the owner of Unit __ (the "Unit") in the Condominium which is designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot ____ in Block 1544 of Section 5 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, (c) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, and (d) to acquire, mortgage, lease or convey the Resident Manager's Unit all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to 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 Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property or the Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do) hereby irrevocably nominate, constitute and appoint Wellington Fee LLC (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, By-Laws and the Residential Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required

to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the Declaration or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph, shall consent thereto by joining in the execution of such amendment). The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as Sponsor shall cease to own any Units in the Condominium.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT)

UNIT OWNER'S SPECIMEN TITLE POLICY

ISSUED BY
COMMONWEALTH LAND TITLE INSURANCE COMPANY

OWNER'S POLICY OF TITLE INSURANCE

Commonwealth
A LANDAMERICA COMPANY

SPECIMEN

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.

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Attest: Wm. Chadwick Perrine
Secretary

COMMONWEALTH LAND TITLE INSURANCE COMPANY

By: Janet A. Alpert
President

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the affect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:

   (a) created, suffered, assumed or agreed to by the insured claimant;

   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;

   (c) resulting in no loss or damage to the insured claimant;

   (d) attaching or created subsequent to Date of Policy; or

   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

   (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or

   (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:

      (i) to timely record the instrument of transfer; or

      (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.



Commonwealth

COMMONWEALTH LAND TITLE INSURANCE COMPANY

SCHEDULE A

Amount of Insurance: $_____ **Policy/Title No.** NY041553

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 Wellington Fee 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

SPECIMEN

Policy/Title No. NY041553

SCHEDULE A - ITEM 4

The Condominium Unit (the "Unit") in the Building known as _____ located at and known as and by street number 350 East 82 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 1544 of Section 5 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 the corner formed by the intersection of the south side of East 82nd Street and the westerly side of First Avenue;

RUNNING THENCE westerly along said southerly side of East 82nd Street, 225 feet to a point which is distant 425 feet easterly from the easterly side of Second Avenue;

THENCE southerly and parallel with said westerly side of First Avenue, 102 feet 2 inches to the center line of the block;

THENCE easterly along said center line of the block, 225 feet to said westerly side of First Avenue;

THENCE northerly along said westerly side of First Avenue, 102 feet 2 inches to the point or place of BEGINNING.

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. **For Information:**
   Zoning Lot Description and Ownership Statement recorded in Reel 505 Page 175.

3. Terms, covenants and conditions set forth in the Declaration of Condominium and By-Laws dated _____ and recorded on _____ under CRFN _____, 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. NY041553

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

CONDITIONS AND STIPULATIONS

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.

(Continued)

(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 COMMONWEALTH LAND TITLE INSURANCE COMPANY, 1700 Market Street, Philadelphia, PA 19103-3990.

SPECIMEN

FORM W-8
(CERTIFICATION OF FOREIGN STATUS)

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

FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

Form **W-9**
(Rev. December 2000)
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.

Please print or type

Name (See **Specific Instructions** on page 2.)

Business name, if different from above. (See **Specific Instructions** on page 2.)

Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ .....

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. 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 2.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 2.

Note: *If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.*

Social security number
| | | | – | | | – | | | | |

or

Employer identification number
| | | – | | | | | | | |

List account number(s) here (optional)

Part II **For U.S. Payees Exempt From Backup Withholding** (See the instructions on page 2.)

▶

Part III Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **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 2.)

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 get your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee.

If you are a foreign person, use the appropriate Form W-8. See **Pub. 515,** Withholding of Tax on Nonresident Aliens and Foreign Corporations.

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.*

What is backup withholding? Persons making certain payments to you must withhold and pay to the IRS 31% of such payments under certain conditions. This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, payments you receive will not be subject to backup withholding. **Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester, or

2. You do not certify your TIN when required (see the Part III instructions on page 2 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 Part II instructions and the separate **Instructions for the Requester of Form W-9.**

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

APPLICATION TO ATTORNEY GENERAL FOR DETERMINATION OF THE DISPOSITION OF DOWNPAYMENTS

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS

Re: Wellington Tower Condominium
Address of Building or Name of Project

File Number:

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application.

1. Name of Applicant _____

2. Address of Applicant _____

3. Name, Address, and Telephone Number of Applicant's Attorney (if any) _____

_____

_____

4. This is an application for

- ☐ return of downpayment
- ☐ forfeiture of downpayment
- ☐ other: _____

5. The project is structured as

- ☐ a conversion of occupied premises
- ☐ newly constructed or rehabilitated
- ☐ vacant (as is)

6. The project is structured as

- ☐ a cooperative.
- ☐ a condominium.
- ☐ a homeowners association.
- ☐ a timeshare.
- ☐ other: _____

7. Name and Address of Sponsor: _____

_____

8. Name and Address of Escrow Agent: _____

_____

9. If downpayments are maintained in an escrow account:

(a) Name of Account _____

(b) Name and Address of Bank _____

_____

(c) Account Number (if known) _____

(d) Initial interest rate (if known)_____

10. If downpayments have been secured by bonds:

(a) Name and Address of Bond Issuer or Surety: _____

_____

(b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain: _____

_____

11. If downpayments have been secured by a Letter of Credit:

(a) Name and address of bank which issued the Letter of Credit:_____

_____

_____

(b) Date of expiration of the Letter of Credit, if known: _____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan

☐ has been declared effective. Approximate date: _____
☐ has not been declared effective.

(c) If effective, the plan

☐ has closed or the first unit has closed. Approx. date:_____
☐ has not closed
☐ don't know

(d) Downpayments are secured by

☐ escrow account
☐ bonds
☐ Letter of Credit

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed: _____

(c) Date(s) of downpayment(s): _____

(d) Total amount of downpayment(s): _____

(e) Names and addresses of subscribers or purchasers affected by this application:

_____

_____

_____

_____

_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

_____

_____

_____

_____

_____

15. I am contemporaneously sending a copy of this application to the following persons:

_____

_____

_____

_____

_____

Note: _____ You are required to mail a copy of this Application to all other affected parties.

In filing this Application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____

Name (Printed): _____

Telephone: (Home) _____ (Business) _____

Mailing Address: _____

_____

ESCROW AGREEMENT

ESCROW AGREEMENT FOR OFFERING PLAN

This ESCROW AGREEMENT made as of the Filing Date of the Plan ("Agreement") is between WELLINGTON FEE, LLC ("Sponsor"), having an address at 390 Park Avenue, 3rd Floor, New York, New York 10022, and STARR ASSOCIATES LLP ("Escrow Agent"), having an address at 245 Fifth Avenue, New York, New York 10016.

WHEREAS, SPONSOR is the sponsor of an offering plan for the conversion to condominium ownership of the premises to be known as Wellington Tower Condominium and located at 350 East 82nd Street, New York, New York 10028 ("Offering Plan"); and

WHEREAS, Starr Associates 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:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 ESCROW AGENT will establish a master escrow account for the purpose of holding deposits, downpayments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank having a branch located in New York City entitled Starr Associates LLP (the "Master Escrow Account").

1.2 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-8 (Certificate of Foreign Status), 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 account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3 The Attorneys in ESCROW AGENT are the sole signatories on the Master Escrow Account.

1.4 The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

1.5 All interest will be credited to Purchaser at such time as: (i) there is a closing under the Contract of Sale (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a "consummation

of the Offering Plan" (as such term is defined in the Attorney General's regulations) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Contract of Sale"), ESCROW AGENT shall notify the Purchaser of the deposit of such funds in the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Contract of Sale and rescind within ninety (90) days after tender of the Deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Attorney General's regulations and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the Deposit of a defaulting Purchaser until after consummation of the Offering Plan. Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the Deposit in escrow until otherwise directed in (a) a writing signed by both SPONSOR and Purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to: (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.4 In the event SPONSOR and a Purchaser close title under the Contract of Sale, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

3.5 Except as otherwise set forth above, if there is no written agreement between the parties

to release the Deposit, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Deposit may be paid to SPONSOR unless the Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and ESCROW AGENT has received notice from the Purchaser in accordance with such provisions.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2 Upon the dissolution of ESCROW AGENT, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

5.3 ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Contract of Sale, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4 ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

5.5 ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

5.6 ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7 The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a purchaser under Article 23-A of the General Business Law.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of or attorney or legal assistant employed by ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.

6.3 SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Contract of Sale.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is cancelled by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation; or

(c) All units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 (a) or (b) above, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all contracts or documents maintained by ESCROW AGENT relating to such funds to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. 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.

* * * *

ESCROW AGENT

STARR ASSOCIATES LLP

By: 

Allan Starr, Partner

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

SPONSOR:

WELLINGTON FEE LLC

By: Wellington Senior Mezz LLC,
its sole member

By: Wellington Junior Mezz LLC,
its sole member

By: Wellington Tower Partners LLC,
its sole member

By: R&F 82nd Street LLC,
member

By: _____
Name: ABY ROSEN
Title: MEMBER

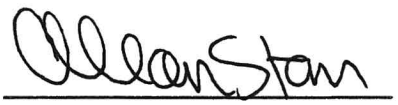
PRINCIPALS OF SPONSOR:

_____
Aby Rosen

_____
Michael Fuchs

ESCROW AGENT

STARR ASSOCIATES LLP

By: 

Allan Starr, Partner

CERTIFICATION OF SPONSOR AND PRINCIPALS

PART 23: CERTIFICATION OF SPONSOR AND PRINCIPALS

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

Re: Condominium Offering Plan
Wellington Tower Condominium
350 East 82nd Street
New York, New York ("Property")

Dear Sir/Madam:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

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

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

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

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

(iii) not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

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

SPONSOR:

WELLINGTON FEE LLC

By: Wellington Senior Mezz LLC, its sole member

By: Wellington Junior Mezz LLC, its sole member

By: Wellington Tower Partners LLC, its sole member

By: R&F 82nd Street LLC, member

By: _____
Name: Aby Rosen
Title: Member

PRINCIPAL(S) OF SPONSOR:

_____
Aby Rosen

_____
Michael Fuchs

Severally sworn to before me this 21st day of January, 2005

_____
Notary Public

NEIL P RITTER
Notary Public, State of New York
No. 02Ri6026423
Qualified in New York County
Certificate Filed in New York County
Commission Expires June 14, 2007

CERTIFICATIONS OF ENGINEER AND ARCHITECT

PART 23: CERTIFICATION OF ARCHITECT

Dated: January 20, 2005

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

Re: Condominium Offering Plan
350 East 82nd Street
New York, New York 10028 ("Property")

Dear Sir/Madam:

The sponsor of the offering plan to convert the captioned Property to condominium ownership retained me/our firm to prepare a report disclosing the condition of the property (the "Report"). I/We visually inspected the Property on December 1, 2004 and prepared the Report dated January 21, 2005, (a) copy(ies) of which is (are) intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I/We understand that I am/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 23 insofar as they are applicable to this Report.

I/We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. I/we certify that the Report and all documents prepared by me/us disclose all the material facts which were then discernable from a visual inspection of the Property. This certification is made for the benefit of all persons to whom this offer is made.

I/We certify that the Report based on my/our visual inspection:

(i) sets forth in narrative form the physical condition of the entire property and is current and accurate as of the date of inspection;

(ii) in my/our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the Property;

(iii) does not omit any material fact;

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

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

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

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

(vii) It is to be understood that all aspects of the physical condition of the Property cannot be determined by a visual inspection and that all statements contained in this certification are premised on and limited to such visual inspection.

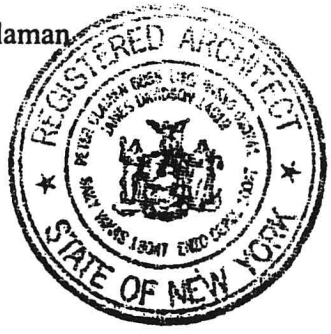
I/We further certify that I am/we are not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Report is not contingent on the success of the Offering plan or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the Property.

SLCE ARCHITECTS

By: _____

Name: Peter Claman

Title: Partner



Sworn to before me this
20th day of January, 2005

Elaine M. Brown
Notary Public

ELAINE M. BROWN
Notary Public, State of New York
No. 01BR6109247
Qualified in New York County
Commission Expires April 26, 2008

PART 23: CERTIFICATION OF ENGINEER

Dated: January 26, 2005

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

Re: Condominium Offering Plan
350 East 82nd Street
New York, New York 10028 ("Property")

Dear Sir/Madam:

The sponsor of the offering plan to convert the captioned Property to condominium ownership retained me/our firm to prepare a report disclosing the condition of the mechanical, electrical and heating systems of the above property (the "Report"). I/We visually inspected the Property on December 6 and December 15, 2004 and prepared the Report dated January 24, 2005, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I/We understand that I am/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 23 insofar as they are applicable to this Report.

I/We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. I/we certify that the Report and all documents prepared by me/us disclose all the material facts which were then discernable from a visual inspection of the Property. This certification is made for the benefit of all persons to whom this offer is made.

I/We certify that the Report based on my/our visual inspection:

(i) sets forth in narrative form the physical condition of the mechanical systems of the entire property and is current and accurate as of the date of inspection;

(ii) in my/our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the Property;

(iii) does not omit any material fact;

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

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

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

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

(vii) It is to be understood that all aspects of the physical condition of the Property cannot be determined by a visual inspection and that all statements contained in this certification are premised on and limited to such visual inspection.

I/We further certify that I am/we are not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Report is not contingent on the success of the Offering plan 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.

COSENTINI ASSOCIATES LLP

By: _____

Sworn to before me this

26th day of January, 2005

[ENGINEER'S SEAL]

_____
Notary Public

JEAN TOTINO
NOTARY PUBLIC, State of New York
No. 24-[illegible]
Qualified in [illegible] County
Commission Expires Feb. 17, 2006

CERTIFICATION OF BUDGET EXPERT

Diversified Valuation Group

REAL ESTATE APPRAISERS AND CONSULTANTS

60 East 42nd Street, Suite 1446, New York, NY 10165-1437
Tel. (212) 867-7100 Fax (212) 867-6146

Eugene A. Hegy, Jr., IFAS, CSA-G
Chairman
NYS General Certification #46000002678

Dominick S. Pompeo, SRPA, SRA, CSA
President
NYS General Certification #46000000001

Kurt M. Polinsky, MAI
Sr. Vice President
NYS General Certification #46000000010

PART 23: CERTIFICATION OF BUDGET EXPERT AS TO ADEQUACY OF BUDGET

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

Re: Condominium Offering Plan
Wellington Tower Condominium
350 East 82nd Street
New York, New York ("Property")

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned Property retained our firm to review or prepare Schedule B containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes: 40 Bond Street, New York, NY; 2287 Johnson Avenue, Bronx, NY; 33 East 70th Street, New York, NY and 170 East End Avenue, New York, NY.

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 23 insofar as they are applicable to Schedule B.

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

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

We certify that Schedule B:

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

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

(iii) does not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

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

DIVERSIFIED VALUATION GROUP

By: _____
Name: Dominick S. Pompeo

Title: President

Sworn to before me this
20th day of September, 2005

_____
Notary Public

CERTIFICATION OF BUDGET EXPERT AS TO ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS

Diversified Valuation Group

REAL ESTATE APPRAISERS AND CONSULTANTS

60 East 42nd Street, Suite 1446, New York, NY 10165-1437

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Dominick S. Pompeo, SRPA, SRA, CSA
President
NYS General Certification #46000000001

Kurt M. Polinsky, MAI
Sr. Vice President
NYS General Certification #46000000010

PART 23: CERTIFICATION BY EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNITS OWNERS

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

Re: **Condominium Offering Plan**
Wellington Tower Condominium
350 East 82nd Street
New York, New York 10028 ("Property")

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned property retained our firm to review or prepare Schedule B which includes projections of common charges payable by the owners of the Commercial Units. Our experience in this field includes: 40 Bond Street, New York, NY; 2287 Johnson Avenue, Bronx, NY; 33 East 70th Street, New York, NY and 170 East End Avenue, New York, NY.

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 23 insofar as they are applicable to the Commercial Units listed in Schedule B.

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

We certify that the projections in Schedule B for the common charges payable by the owners of Commercial Units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such Commercial Units for the projected first year of condominium operation, and that the allocation of common charges attributable to the Commercial Units also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the Commercial Units:

(i) set forth in detail the projected common charges for the Commercial Units 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 owners of the Commercial Units;

(iii) do not omit any material fact;

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

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

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

(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 Units for the first year of condominium operation.

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

DIVERSIFIED VALUATION GROUP

By: _____
Name: Dominick S. Pompeo

Title: President

Sworn to before me this
20th day of September, 2005

_____
Notary Public

[illegible] STERN
Notary Public, State of New York
[illegible]
[illegible] County
[illegible]

9/07/07

GENERAL BUSINESS LAW SECTION 352-eeee

§352-eeee. Conversions to cooperative or condominium ownership in the city of New York.[1]

1. As used in this section, the following words and terms shall have the following meanings:

(a) "Plan." Every offering statement or prospectus submitted to the Department of Law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from residential rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-eviction plan." A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building a group of buildings or development by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the Attorney General accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction plan." A plan which, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the Attorney General (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disable persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser under the plan." A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "Non-purchasing tenant." A person who has not purchased under the plan and who is a tenant entitled to possession at the time the plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit from a purchaser under the plan shall not be deemed a non-purchasing tenant.

(f) "Eligible senior citizens." Non-purchasing tenants who are sixty-two years of age or older on the date the Attorney General has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the Attorney General has accepted the plan for filing, on forms promulgated by the Attorney General spouses of any such tenants on such date, and who have elected, within sixty days of the date the Attorney General has accepted the plan for the filing, on forms promulgated by the Attorney General and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered to tenants in occupancy.

(g) "Eligible disabled persons." Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol,

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[1] NB Expires June 15, 2011.

gambling, or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques and which are expected to be permanent and which prevent the tenant from engaging in any substantial gainful employment on the date the Attorney General has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the Attorney General has accepted the plan for filing, on forms promulgated by the Attorney General and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

2. The Attorney General shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to a plan unless:

(a) The plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the Attorney General stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the Attorney General for at least twelve months after such abandonment.

(b) The plan provides either that it is an eviction plan or that it is a non-eviction plan.

(c) The plan provides, if it is a non-eviction plan, as follows:

(i) The plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the Attorney General accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy: provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominium ownership shall continue to be subject thereto.

(iv) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is

eliminated or becomes inapplicable after the plan has been accepted for filing by the Attorney General shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses.

(v) The plan may not be amended at any time to provide that it shall be an eviction plan.

(vi) The rights granted under the plan to purchasers under the plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vii) After the issuance of the letter from the Attorney General stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the Attorney General a written statement, under oath, setting forth the percentage of the dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant as of the date of such statement and, (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(d) The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the Attorney General (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (1) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the plan is declared effective. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use of occupancy of the premises, refusal of reasonable access to

the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the Attorney General within thirty days of the receipt of the election forms for a determination by the Attorney General of such person's eligibility. The Attorney General shall, within thirty days thereafter, issue his determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the Attorney General shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the Attorney General becomes final.

(vii) After the issuance of the letter from the Attorney General stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the Attorney General a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the Attorney General who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) before noon on the day such statement if filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(viii) If the plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the plan prior to such amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his agreement to purchase under the plan.

(ix) The tenants in occupancy on the date the Attorney General accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the Attorney General, during which time a tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contact of sale together with a copy of said executed contract to said tenant.

(e) The Attorney General finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the Department of Law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for

more than five months prior to the date of such submission to the Department of Law. "Excessive" shall mean a vacancy rate in excess of the greater of (i) ten percent and (ii) a percentage that is double the normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the Department of Law.

(f) The Attorney General finds that, following the submission of the offering statement or prospectus to the Department of Law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the Department of Law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the statements submitted pursuant to subparagraph (vii) of paragraph (c) or subparagraph (viii) of paragraph (d) of this subdivision, whichever is applicable, will be available for inspection and copying at the office of the Department of Law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall also be accompanied by a statement that tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the plan to the Department of Law, during normal business hours, upon written request made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state of New York. Such notice shall be sent to each tenant in occupancy on the date the plan is first submitted to the Department of Law.

3. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the building or group of buildings or development. Such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. The offeror shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers, at which time the cooperative corporation or the condominium association shall assume responsibility for the provision of all services and facilities required by law on a non-discriminatory basis.

4. It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto. The Attorney General may apply to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate, an order restraining the owner from selling the shares allocated to the dwelling unit or the dwelling unit itself or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

5. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law, provided that in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

6. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under this section or rules and regulations promulgated pursuant hereto shall be void as contrary to public policy.

7. The provisions of this section shall only be applicable in the city of New York.

REAL PROPERTY LAW SECTION 339-kk

NEW YORK REAL PROPERTY LAW § 339-kk

§ 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 have been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

LOCAL LAW 70 – RESERVE FUND LAW

LOCAL LAW 70 – RESERVE FUND LAW

§§ 26-701 – 26-708

§ *26-701* Application.

The provisions of this chapter shall apply to conversions from rental to cooperative or condominium status of a building or a group of buildings or a development for which a plan must be filed with the state Department of Law pursuant to section three hundred fifty-two-eeee of the General Business Law.

§ *26-702* Definitions.

As used in this chapter the following words shall mean:

a. "Building" any building, group of buildings or development.

b. "Total price" (1) with respect to cooperative conversions, the number of all shares in the offering multiplied by the last price per share which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made; (2) with respect to condominium conversions, the sum of the cost of all units in the offering at the last price which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made.

c. "Capital replacement" a building-wide replacement of a major component of any of the following systems:

(1) elevator;

(2) heating, ventilation and air conditioning;

(3) plumbing;

(4) wiring;

(5) window; or, a major structural replacement to the building; provided, however, that replacements made to cure code violations of record shall not be included.

d. "Offeror" the offeror, his or her nominees, assignees and successors in interest.

§ *26-703* Establishment of reserve fund.

a. Within thirty days after the closing of a conversion pursuant to an offering plan the offeror shall establish and transfer to the cooperative corporation or condominium board of managers, a reserve fund to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such buildings. Such reserve fund shall be exclusive of any other funds required to be reserved under the plan or applicable law or regulation of the state Attorney General, except a fund for capital repairs, replacements and improvements substantially similar in purpose to and in an amount not less than the reserve fund mandated by this section. Such reserve fund also shall be exclusive of any working capital fund and shall not be subject to reduction for closing apportionments.

b. Such fund shall be established in an amount equal to either:

(i) three percent of the total price or, (ii) (A) three percent of the actual sales price of all cooperative shares or condominium units sold by the offeror at the time the plan is declared effective,

provided, however, that if such amount is less than one percent of the total price, then the fund shall be established as a minimum of one percent of the total price; plus (B) supplemental contributions to be made by the offeror at a rate of three percent of the actual sales price of cooperative shares or condominium units for each unit or its allocable shares held by the offeror and sold to bona fide purchasers subsequent to the effective date of the plan and within five years of the closing of the conversion pursuant to such plan notwithstanding that the total amount contributed may exceed three percent of the total price; and provided, further, that if five years from thirty days after the closing of the conversion pursuant to such plan the total contributions by the offeror to the fund are less than three percent of the total price the offeror shall pay the difference between the amount contributed and three percent of the total price. Supplemental contributions shall be made within thirty days of each sale.

c. The contributions required pursuant to this section may be made earlier or in an amount greater than so provided. An offeror may claim and receive credit against the mandatory initial contribution to the reserve fund for the actual cost of capital replacements which he or she has begun after the plan is submitted for filing to the state Department of Law and before the plan is declared effective; provided, however, that any such replacements must be set forth in the plan together with their actual or estimated costs and further provided, that such credit shall not exceed the lesser of the actual cost of the capital replacements or one percent of the total price.

d. Any building, construction of which was completed within three years prior to the closing of a conversion pursuant to an offering plan, shall be exempt from the requirements of this section.

§ *26-704* Report on status of reserve fund.

The cooperative corporation or condominium board of managers shall report to shareholders and unit owners on a semi-annual basis with respect to all deposits into and withdrawals from the reserve fund mandated by section 26-703 of this chapter.

§ *26-705* Posting of violations.

The offeror, not later than the thirtieth day following the acceptance of a plan for filing by the state Department of Law pursuant to section three hundred fifty-two-eeee of the General Business Law and until the closing of the conversion pursuant to such plan, shall post and maintain in a prominent place, accessible to all tenants in each building covered by the plan, a listing of all violations of record against such buildings as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations shall be posted within forty-eight hours of their issuance and maintained as described above. The offeror may satisfy the requirements of this section by designating an agent on the premises with whom such listing shall be made available for inspection by the tenants.

§ *26-706* Report on condition of premises.

Where, pursuant to law or regulation of the state Attorney General, an offeror is required to file a report with the state Department of Law describing the condition of the physical aspects of the premises to be converted and the surrounding neighborhood, a copy of such report shall be submitted simultaneously to the commissioner of buildings.

§ *26-707* No Waiver of rights.

Any provision purporting to waive the provisions of this chapter in any contract to purchase or agreement between an offeror and the cooperative corporation or the condominium board of managers pursuant to a conversion plan shall be void as against public policy.

§ *26-708* Criminal and civil penalties; enforcement.

a. Except as otherwise provided in subdivision b of this section, any person who knowingly violates or assists in the violation of any section of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred nor more than one thousand dollars. Except as otherwise provided in subdivision b of this section, any person who violates or assists in the violation of any section of this chapter shall be subject to a civil penalty of one hundred dollars per day per unit for each day that a building is not in compliance with the provisions of such sections; provided, however, that such civil penalty shall not exceed one thousand dollars per unit.

b. Any person who knowingly violates or assists in the violation of section 26-703 of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not more than two times the amount required to be reserved by section 26-703 of this chapter which was not so reserved. Any person who violates or assist in the violation of section 26-703 of this chapter shall also be subject to a civil penalty of one thousand dollars per day for each day that the reserve fund required by section 26-703 of this chapter is not established; provided, however, that such civil penalty shall not exceed the amount required to be reserved pursuant to section 26-703 of this chapter.

c. In addition, any other action or proceeding in any court of competent jurisdiction that may be appropriate or necessary for the enforcement of the provisions of this chapter may be brought in the name of the city, including actions to secure permanent injunctions enjoining any acts or practices which constitute a violation of any provision of this chapter, mandating compliance with the provisions of this chapter or for such other relief as may be appropriate. In any such action or proceeding the city may apply to any court of competent jurisdiction or to a judge or justice thereof, for a temporary restraining order or preliminary injunction enjoining and restraining all persons from violating any provision of this chapter, mandating compliance with the provisions of this chapter, or for such other relief as may be appropriate, until the hearing and determination of such action or proceeding and the entry of final judgment or order therein. The court, or judge or justice thereof, to whom such application is made, is hereby authorized forthwith to make any or all of the orders above specified, as may be required in such application, with or without notice, and to make such other or further orders or directions as may be necessary to render the same effectual. No undertaking shall be required as a condition of the granting or issuing of such order, or by reason thereof.

d. Nothing contained in this section shall impair any rights, remedies or causes of action accrued or accruing to purchasers of cooperative shares or condominium units.

e. The Department of Housing Preservation and Development is empowered to enforce the provisions of this chapter.

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