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

CONDOMINIUM OFFERING PLAN FOR

THE 452 WEST 19 CONDOMINIUM

452 WEST 19TH STREET
NEW YORK, NEW YORK 10011

TOTAL PURCHASE PRICE 20 RESIDENTIAL UNITS	**$18,356,000**
RESERVE FUND (ESTIMATED MINIMUM)	**$ 495,600***

***To be established in accordance with Chapter 8 of Title 26 of the Administrative Code of the City of New York, in an amount that is now indeterminate, to be based on the prices for which the Units are sold. See within.**

SPONSOR:	SELLING AGENT:	CONDOMINIUM:
452 West Company c/o Z & R Management 1623 Third Avenue New York, New York 10128	Croman Real Estate 611 Broadway New York, New York 10012	THE 452 WEST 19 CONDOMINIUM c/o Z & R Management 1623 Third Avenue New York, New York 10128

DATE OF ACCEPTANCE FOR FILING: DECEMBER 16, 2005

THIS OFFERING PLAN MAY NOT BE USED AFTER DECEMBER 15, 2006, UNLESS THIS OFFERING PLAN IS EXTENDED BY AMENDMENT.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN. (SEE SPECIAL RISKS SECTION 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 PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

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SPECIAL RISKS

The special risks summarized below are explained more fully in other Sections of this Plan. Prospective Purchasers should therefore read the entire Plan to completely understand these and other material aspects of this offering. See the Section of the Plan entitled "Definitions" for the meanings of the capitalized words used in this Section and not defined herein.

1. Financing contingency and availability

Each Purchaser is free to seek financing from any lender of the Purchaser's choice. If, however, a Purchaser chooses to obtain financing from a source other than a Recognized Lender, the Purchaser's obligations under the Purchase Agreement will not be conditioned upon his obtaining such other financing. Thus, the failure to obtain financing from such a source will not relieve Purchaser from his obligations under the Purchase Agreement, and if such Purchaser fails to pay the balance of the Purchase Price to Sponsor on or prior to the Closing Date and any such default is not cured within a thirty (30) day period after written notice thereof with **TIME BEING OF THE ESSENCE,** Sponsor may cancel the Purchase Agreement and retain as liquidated damages the Down Payment, together with any interest earned thereon, plus the cost of any special work in the Unit ordered by the Purchaser. This means that, should a Purchaser fail to close on the date required in his Purchase Agreement because the Purchaser cannot obtain financing from other than a Recognized Lender, the Purchaser may forfeit his Down Payment to the Sponsor. Any payments received in excess of such sums together with any interest earned on such excess, will be refunded to Purchaser within a reasonable time after cancellation. Please consult the Sections of the Plan entitled **"Procedure to Purchase"** and **"Closing of Title to Units and Terms of Sale"** and the form of Purchase Agreement set forth in Part II of the Plan.

Sponsor cannot and does not represent, assure or guarantee that any Purchaser will be able to obtain mortgage financing or the terms or costs of such financing. It is noted that most lenders currently require a specified minimum percentage of units in a condominium be sold to purchasers for owner-occupancy as one of their loan prerequisites. Sponsor cannot and does not represent, assure or guarantee the percentage of Units that will be owner-occupied at any given time or that such percentage will meet the requirements of

Institutional Lenders or other lenders at any time or whether a Purchaser will succeed in arranging such financing. Please consult the Sections of the Plan entitled **"Procedure to Purchase"** and **"Closing of Title to Units and Terms of Sale"** and the form of Purchase Agreement set forth in Part II of the Plan.

2. Sponsor's remedies on Purchaser's default under the Purchase Agreement; "Time of the essence"

Any Purchaser who defaults under his Purchase Agreement must be given written notice and the opportunity to cure such default within thirty (30) days from the sending of the default notice. If a defaulting Purchaser does not remedy the default within such thirty (30) day period, with **TIME BEING OF THE ESSENCE**, Sponsor will have the right to cancel such defaulting Purchaser's Purchase Agreement and retain as liquidated damages the Down Payment, together with any interest earned thereon, plus the cost of any special work in the Unit ordered by Purchaser. This means that, should a Purchaser fail to close on the date required in his Purchase Agreement, and fails to close within thirty (30) days after the Sponsor sends a default notice to such Purchaser, the Purchaser may forfeit to the Sponsor his Down Payment, plus any interest earned on the Down Payment, plus the costs incurred by the Sponsor of doing any special work in the Unit requested by the Purchaser to the Sponsor. Purchaser and Sponsor will thereupon be relieved of all further liabilities and obligations thereunder and under the Plan. If the Purchase Agreement is cancelled, Sponsor has the right to sell the Unit to others as if the Purchase Agreement had never been made, without accounting to the Purchaser for the proceeds of such sale. See the Section of the Plan entitled **"Closing of Title to Units and Terms of Sale"**, as well as the Sections of the Plan entitled **"Procedure to Purchase"** and **"Closing of Title to Units and Terms of Sale"** and the form of Purchase Agreement set forth in Part II of the Plan.

3. Purchaser's delinquency Closing costs

If through no fault of Sponsor, a Purchaser shall fail to close on the date fixed by Sponsor for closing of title to Purchaser's Unit, then Purchaser will: (a) pay (among other closing costs) a late fee equal to 0.05% multiplied by the unpaid balance of the Purchase Price for each day's delay, beginning with the date originally scheduled for the closing to and including the day immediately preceding the actual Closing Date, (b) reimburse Sponsor for the Unit's carrying charges (that is, Common Charges and real estate taxes) during the

period of delay, and (c) pay the service fees of Sponsor's attorneys of $150 for each default letter sent to such Purchaser and an additional $150 for each notice sent to such Purchaser to reschedule the closing. All of these and other closing costs to be paid by a Purchaser are described in the Section of the Plan entitled **"Unit Closing Costs and Adjustments."**

4. Purchaser's payment of transfer taxes

At the closing of title to his Unit, each Purchaser will be required to pay New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax. The New York City Real Property Transfer Tax is currently imposed at a rate of 1.00% of the Purchase Price for an individual residential condominium unit if the Purchase Price is $500,000 or less and 1.425% if the Purchase Price is more than $500,000. The New York State Real Estate Transfer Tax is currently imposed at a rate equal to the amount of $2.00 per $500 or part thereof of the Purchase Price. Prospective Purchasers are advised that both New York State and New York City have taken the position that where a Purchaser pays either or both of these taxes on behalf of a seller, such as will be required on behalf of Sponsor in connection with the purchase of any Unit hereunder, such payment itself constitutes additional consideration to the seller and must be considered in computing the tax due. Please see the Section of the Plan entitled **"Unit Closing Costs and Adjustments"**, as well as the form of Purchase Agreement set forth in Part II of the Plan.

5. Bank account for Down Payment is federally insured to $100,000 only

Each Down Payment will be kept in a segregated attorney's special escrow account at Hudson Valley Bank, 60 East 42nd Street, New York, New York 10165 (the **"Bank"**). The Bank is covered by Federal Bank Insurance Deposit insurance to a maximum of $100,000 in the aggregate with respect to all funds deposited by any person in one or more deposit accounts. If a Purchaser's Down Payment, together with any other funds of such Purchaser in deposit accounts at the Bank, exceed $100,000, the excess above $100,000 will not be federally insured. Neither Sponsor, the Selling Agent nor the Escrow Agent holding the Down Payment will be liable for any losses resulting from the failure of the Bank. See the Section of the Plan entitled **"Procedure to Purchase"** and the form of Purchase Agreement set forth in Part II of the Plan.

6. Sponsor's inability to convey title

Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense in excess of its obligations under the Plan to cure any inability to deliver title to a Unit in accordance with the Plan and the terms of the Purchase Agreement for such Unit. If Sponsor shall notify a Purchaser of its refusal to cure any such inability, then such Purchaser's sole remedy will be either: (a) to accept such title as Sponsor is able to deliver without abatement in or credit against the Purchase Price for the Unit and without any claim or right of action against Sponsor for damages or otherwise, or (b) to terminate his Purchase Agreement and receive a refund of his Down Payment and any interest earned thereon. A Purchaser must notify Sponsor which option such Purchaser elects within ten (10) days after the giving of Sponsor's notice of refusal to cure such inability, with **TIME BEING OF THE ESSENCE.** If a Purchaser fails to timely deliver such notice, it will be conclusively deemed that such Purchaser has elected to acquire title to the Unit subject to such inability as set forth in clause (a). See the Section of the Plan entitled **"Closing of Title to Units and Terms of Sale"** and the form of Purchase Agreement set forth in Part II of the Plan.

7. Management fee for tenant-occupied Units

The Unit Owner of any Unit occupied by a Non-Purchasing Tenant will be responsible for the due performance of all of the obligations of the landlord under the Non-Purchasing Tenant's existing lease or month-to-month tenancy. The actual performance of such obligations will, however, in the first instance, be by or at the direction of the Managing Agent for the account of the Unit Owner. Each Purchaser of a Unit occupied by a Non-Purchasing Tenant will be required to deposit with the Managing Agent at closing an amount equal to not less than two months' Common Charges and estimated real estate taxes to be used as working capital to furnish services required under such Non-Purchasing Tenant's existing lease or month-to-month tenancy for the Unit and by Applicable Law. Such fund must thereafter be replenished by the Purchaser of the Unit within thirty (30) days after notice from the Managing Agent that such fund has been diminished. See the Sections of the Plan entitled **"Procedure to Purchase," "Closing Costs and Adjustments"** and **"Rights and Obligations of Unit Owners."**

8. Sponsor control

Sponsor will control the Condominium Board until the expiration of the period ending on the earlier of: (i) the closing of title with Purchasers under the Plan to Units having more than fifty percent (50%) of the aggregate Common Interests appertaining to all Units, or (ii) the fifth anniversary of the First Unit Closing (the "Initial Control Period"). Commencing with the first election of Managers held following the expiration of the Initial Control Period, and at all elections thereafter, the Sponsor or its designee will be permitted to designate a minimum number of representatives on the Condominium Board based on varying degrees of Unit ownership by the Sponsor or its designee. In addition to such designation rights, the Sponsor or its designee will also have the right to vote the Common Interest attributable to all Units owned by the Sponsor or its designee with regard to the election of members of the Board of Managers other than the representatives so designated by the Sponsor or its designee.

As long as Sponsor or any Sponsor Successor continues to own at least twenty-five percent (25%) of the Units during the five years following the First Unit Closing, the Condominium Board will not be permitted, without the prior written consent of Sponsor or any Sponsor Successor to:

1. make any addition, alteration or improvement to the Common Elements or to any Unit, unless required by Applicable Law;

2. assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency or surplus fund in excess of the lesser of (i) five percent in the aggregate of the estimated Common Expenses for any one fiscal year of operation, or (ii) the maximum assessment permitted under Applicable Law;

3. increase the number or change the type of employees from that described in the First Year Budget;

4. enter into any service or maintenance contracts for Work not covered in the First Year Budget;

5. borrow money on behalf of the Condominium; or

6. exercise a right of first refusal to lease or purchase a Unit.

Notwithstanding the foregoing, neither Sponsor nor any Sponsor Successor may exercise a veto over expenditures which:

(i) conform to the First Year Budget and are for the period covered by the First Year Budget; (ii) are required to comply with Applicable Law, including expenditures required to cure any notices of violations; or (iii) are necessary to remedy any work order by an insurer which is the responsibility of the Condominium Board to remedy. See the Sections of the Plan entitled **"Control by Sponsor"** and **"Rights and Obligations of Condominium Board/Summary of By-Laws."**

9. No security for performance

Sponsor has not furnished any bond or other security for the performance of its obligations under this Plan. See the Sections of the Plan entitled **"Control by Sponsor"** and **"Rights and Obligations of Condominium Board/Summary of By-Laws."**

10. Non-resident superintendent

The Building does not currently employ a resident superintendent, and the Sponsor does not contemplate that the Condominium will employ a resident superintendent. However, the Sponsor complies, and the Condominium shall at all times comply, with all applicable legal requirements governing the employment of a superintendent.

11. Managing Agent is an affiliate of Sponsor

Z & R Management Corp., the Managing Agent, is owned and controlled by principals of Sponsor. Prior to the First Unit Closing, the Condominium Board will enter into a management agreement with Z & R Management Corp. for a term of three years upon terms described in the Section of the Plan entitled **"Management Agreement, Contracts and Leases."** In view of the relationship between Sponsor and the Managing Agent, Sponsor will have influence over a number of services to be performed by the Managing Agent after conversion of the Property to condominium ownership. As a result, to the extent any conflict exists or arises between the interests of Sponsor and the Condominium Board, a similar potential conflict exists or may arise with respect to the interests of the Managing Agent. See the Sections of the Plan entitled **"Control by Sponsor", "Rights and Obligations of Condominium Board/Summary of By-Laws"** and **"Management Agreement, Contracts and Leases."**

12. Restrictions on sale and leasing of Units

EACH UNIT OWNER MAY SELL OR LEASE HIS UNIT, BUT ONLY AFTER THE UNIT OWNER GIVES THE CONDOMINIUM BOARD PRIOR WRITTEN NOTICE OF HIS INTENTION TO DO SO, ACCOMPANIED BY A FULLY EXECUTED COPY OF THE CONTRACT OF SALE OR LEASE, CONTAINING ALL OF THE TERMS OFFERED IN GOOD FAITH BY THE PROSPECTIVE PURCHASER OR LESSEE. THE CONDOMINIUM BOARD, ON BEHALF OF ALL UNIT OWNERS, WILL HAVE THE EXCLUSIVE RIGHT TO ELECT, WITHIN TWENTY (20) DAYS AFTER RECEIPT OF THE NOTICE OF SALE OR LEASE, TO PURCHASE OR LEASE THE UNIT ON THE SAME TERMS SET FORTH IN THE CONTRACT OR LEASE, AS MORE SPECIFICALLY SET FORTH IN THE BY-LAWS. If the Condominium Board does not notify the Unit Owner of its election to purchase or lease the Unit within the aforementioned time period, the Unit Owner will have thirty (30) days after the expiration of the twenty day period to consummate the sale or lease in accordance with the terms stated in the contract of sale or lease appended to the notice. After the expiration of such thirty (30) day period, the Unit Owner will again be required to offer the Unit to the Condominium Board as provided above. The foregoing restrictions upon the sale and lease of Units will not apply to any conveyance of a Unit (i) by a Unit Owner by gift, will or intestacy; (ii) by Sponsor or any Sponsor Successor; or (iii) by or to a mortgagee in foreclosure or by deed in lieu of foreclosure; each of whom will be free to sell or lease without first offering to sell or lease to the Condominium Board. See the Section of the Plan entitled **"Rights and Obligations of Unit Owners."**

13. Occupancy of Units by renters

Sponsor intends to sell the Units to Purchasers who are buying for their or their family's personal occupancy. Sponsor reserves the right, however, to sell Units to investors who intend to rent and not to occupy their Units personally. However, no Unit purchased by any such investor will be counted toward effectiveness. In addition, Sponsor and any Sponsor Successor may from time to time freely rent any Unsold Units in accordance with Applicable Law, without charge or limitation whatsoever and without the consent of the Condominium Board or any other Unit Owner. The Property is currently encumbered by a first mortgage in favor of HSBC Bank USA in the aggregate principal amount of $3,000,000 (the "Mortgage"). The Mortgage does not contain any provision which would obligate Sponsor to market Units for sale as they become vacant. The Mortgage requires that the Plan may not be declared effective unless

purchase agreements have been executed by bona fide purchasers unaffiliated with Sponsor for not less than FIFTEEN PERCENT (15%) of the Units. The Mortgage also provides that, following the declaration of effectiveness in accordance with the foregoing requirement, the mortgagee's lien on any Unit will be released upon the payment to the mortgagee of a "release price" for such Unit in an amount equal to ONE HUNDRED AND TWENTY FIVE PERCENT (125%) of the pro rata portion of the principal amount of the mortgage allocable to such Unit based on such Unit's Common Interest percentage. The Mortgage does not place any limit on Sponsor's right to rent rather than sell Units. Sponsor does not currently contemplate limiting its right to rent rather than sell based on objective, articulable criteria such as a significant decline in market prices of a specific percentage. Depending on market conditions, it is conceivable that the Sponsor may find it more desirable to continue to rent one or more Units rather than to sell them, even if they are vacant. As a result, there is no commitment by Sponsor to, and it is conceivable (although unlikely) that Sponsor will not, sell more than the minimum 15% of the Units necessary to declare the Plan effective, and that owner occupants may never gain effective control and management of the Condominium.

As a result of the foregoing, some (and possibly many) of the Units may be occupied by renters and not Unit Owners. The occupancy of Units by renters instead of Unit Owners may limit or impair a Purchaser's ability to obtain financing or refinancing (see paragraph 1 above in this Section), depending on the number of owner-occupied Units and the requirements of lenders at the time. A Purchaser's ability to resell his Unit may similarly be limited or impaired if at such time many lenders have a higher minimum requirement of owner-occupied Units than may then exist in the Building.

The By-Laws of the Condominium do not include a provision that, after the Initial Control Period, a majority of the Condominium's Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners (including Sponsor) may have inherent conflicts on how the Condominium should be managed, due to their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

See the Sections of the Plan entitled "**Control by Sponsor**" and "**Rights and Obligations of Condominium Board/Summary of By-Laws**".

14. Potential net credit to Sponsor on closing adjustments

As more fully disclosed in the Section of the Plan entitled **"Working Capital Fund; Closing Adjustments with Condominium Board; Reserve Fund"**, closing adjustments could result in a net credit owed from the Condominium Board to the Sponsor, which net credit could be paid to the Sponsor at the time of the First Unit Closing from the Working Capital Fund. However, if such payment of any net credit owed to the Sponsor would serve to reduce the amount in the Working Capital Fund below $1,000, then the unpaid balance of any such net credit owed to the Sponsor shall be paid to the Sponsor by the Condominium Board, without interest, in twelve equal consecutive monthly installments pursuant to the terms of a negotiable promissory note to be executed by the Condominium Board at the First Unit Closing. The Condominium Board shall be entitled to prepay such promissory note in full only, at any time and without penalty.

15. Potential income tax liability of Condominium

As more fully disclosed in the Section of the Plan entitled **"Income Tax Deductions to Unit Owners/Tax Status of Condominium"**, under Section 528 of the Internal Revenue Code, the Condominium Board may be eligible to elect for the Condominium to be exempt from Federal income tax on Common Charges collected from the Unit Owners provided that the requirements of Section 528 are met. However, because of certain tests for qualification, including the composition of the Condominium's receipts and expenditures, and because of certain ambiguities in the language of Section 528 which are not clarified by the legislative history, rulings, or regulations, it is not presently possible to determine the application of Section 528 to the Condominium. Accordingly, while a Section 528 election may be contemplated, such an election may not be applicable to the Condominium. If an election under Section 528 is not available or in effect for a taxable year, the tax status of the Condominium will be governed by the rules in effect prior to the enactment of Section 528. Purchasers should note that, if the Condominium does not qualify for the election under Section 528, no monies have been set aside for possible taxes arising therefrom, and any such taxes would have to be paid from a possible increase in the Condominium's common charges, or the imposition of an assessment.

16. Reservation of Air and Development Rights

As more fully disclosed in the Section of the Plan entitled **"Reservation of Air and Development Rights"**, Sponsor is reserving the right to transfer approximately 5,000 square feet of unused air and development rights to other buildings, pursuant to applicable legal requirements. This Building will not be expanded as a result thereof. However, since such unused air and development rights could be transferred to adjoining properties, such transfer could result in the addition of height to such adjoining properties in excess of the height to which they would be permitted to be built but for such transfer.

17. Use of Below-Grade Recreation Rooms

Below-grade recreation rooms may not be used as bedrooms; to do so could result in a violation being posted against the Building.

INTRODUCTION

Purpose of the Plan

452 West Company ("**Sponsor**"), presents this offering plan (the "**Plan**") for the conversion to condominium ownership of the building known as 452 West 19th Street, New York, New York (the "**Building**"), and the parcel of land on which it is situated (such parcel of land and the Building being collectively referred to as the "**Property**").

The purpose of the Plan is to set forth all of the material terms of the offer to convert the Property to condominium ownership.

The Plan is presented in two parts, which together constitute the entire Plan. Part I sets forth a description of the material terms of the offer and Part II contains, among other things, the basic documents necessary to effectuate the provisions of the Plan and a description of the Property.

The Plan may be amended from time to time upon the filing of an amendment with the Department of Law of the State of New York (the "**Department of Law**"). Amendments will be served on all tenants and offerees as defined in Section 23.1(d) of the Regulations promulgated by the Attorney General in Title 13 NYCRR, by either personal delivery or certified mail.

The Condominium

The Condominium will be known as "The 452 West 19 Condominium." The Condominium will be organized to comply with and will be subject to Article 9-B of the Real Property Law of the State of New York, as amended (the "**Condominium Act**").

The Sponsor

Sponsor is a New York general partnership with an office c/o Z & R Management Corp., 1623 Third Avenue, New York, New York 10128. Sponsor acquired fee title to the Property by deed dated April 23, 1985.

Sponsor intends to sell all of the Units at the Property to Purchasers who are buying for their or their family's personal occupancy. Sponsor represents that it will endeavor in good faith to sell, rather than rent, Units. However, Sponsor reserves the right, to be exercised in its

unconditional discretion, to rent rather than sell Units. If Sponsor makes a bulk sale of all or some of the Units, the transferee shall be bound by Sponsor's representations regarding its commitment to sell Units. There are no objective conditions under which Sponsor reserves the right to rent rather than sell Units after they become vacant, and no objective conditions under which Sponsor shall resume sales. Sponsor reserves the right to sell Units to investors who intend to rent and not to occupy their Units personally. However, no Unit purchased by any such investor will be counted toward effectiveness. In addition, Sponsor and any Sponsor Successor may from time to time freely rent any Unsold Units in accordance with Applicable Law, without charge or limitation whatsoever and without the consent of the Condominium Board or any other Unit Owner. The Property is currently encumbered by a first mortgage in favor of HSBC Bank USA in the aggregate principal amount of $3,000,000 (the "Mortgage"). The Mortgage does not contain any provision which would obligate Sponsor to market Units for sale as they become vacant. The Mortgage requires that the Plan may not be declared effective unless purchase agreements have been executed by bona fide purchasers unaffiliated with Sponsor for not less than FIFTEEN PERCENT (15%) of the Units. The Mortgage also provides that, following the declaration of effectiveness in accordance with the foregoing requirement, the mortgagee's lien on any Unit will be released upon the payment to the mortgagee of a "release price" for such Unit in an amount equal to ONE HUNDRED AND TWENTY FIVE PERCENT (125%) of the pro rata portion of the principal amount of the mortgage allocable to such Unit based on such Unit's Common Interest percentage. The Mortgage does not place any limit on Sponsor's right to rent rather than sell Units. Sponsor does not currently contemplate limiting its right to rent rather than sell based on objective, articulable criteria such as a significant decline in market prices of a specific percentage. Depending on market conditions, it is conceivable that the Sponsor may find it more desirable to continue to rent one or more Units rather than to sell them, even if they are vacant. As a result, there is no commitment by Sponsor to, and it is conceivable (although unlikely) that Sponsor will not, sell more than the minimum 15% of the Units necessary to declare the Plan effective, and that owner occupants may never gain effective control and management of the Condominium.

As a result of the foregoing, some (and possibly many) of the Units may be occupied by renters and not Unit Owners. The occupancy of Units by renters instead of Unit Owners may limit or impair a Purchaser's ability to obtain financing or

refinancing (see paragraph 1 above in this Section), depending on the number of owner-occupied Units and the requirements of lenders at the time. A Purchaser's ability to resell his Unit may similarly be limited or impaired if at such time many lenders have a higher minimum requirement of owner-occupied Units than may then exist in the Building.

The By-Laws of the Condominium do not include a provision that, after the Initial Control Period, a majority of the Condominium's Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners (including Sponsor) may have inherent conflicts on how the Condominium should be managed, due to their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

The Offer

Sponsor hereby offers 20 residential Units for sale under the Plan. As set forth in greater detail in the subsection of this Introduction entitled **"Applicable Rent Laws,"** the Plan is offered as a Non-Eviction Plan. The initial prices and estimated Common Charges for each of the aforementioned Units are set forth in the Section of the Plan entitled **"Offering Prices and Related Information, Schedule A" ("Schedule A")**. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Eligible Tenants will enjoy an exclusive purchase period of ninety (90) days after the Presentation Date of the Plan. There will be no increase in prices offered to Eligible Tenants during such exclusive purchase period. Sponsor will not accept purchase agreements from non-tenant purchasers for occupied Units during such exclusive purchase period. See the Section of the Plan entitled **"Rights of Existing Tenants."**

The Building consists of five stories with a penthouse and cellar and is an "Old Law" Tenement Multiple Dwelling. There are no parking, recreational facilities or other amenities appurtenant to the Property, other than a laundry room, and a sundeck on the roof of the Building appurtenant exclusively to Apartment 5B. The Building is more fully described in the **"Description of Property and Building Condition"** included in Part II of the Plan, which sets forth a description of the physical condition of the Building. The Property and the Units

are being offered and sold in their "as is" condition on the Closing Date, and Sponsor will not have any obligation to make any repairs or improvements, except as expressly provided in the Section of the Plan entitled **"Sponsor's Statement of Building Condition."** See the Section of the Plan entitled **"Special Risks."**

Features of condominium ownership

Ownership of a Unit is similar in many respects to ownership of a private home. The owner of each Unit (the **"Unit Owner")** owns fee title to his Unit and is entitled to the exclusive possession thereof. In addition, each Unit Owner also owns, in common with every other Unit Owner, an undivided percentage interest in all parts of the Property other than the Units themselves (the **"Common Elements")**. Appurtenant to certain Units may be the exclusive right to use portions of the Common Elements such as terraces (the **"Limited Common Elements"**). Although, to the extent they exist, reserved for the exclusive use of designated Unit Owners, any Limited Common Elements are part of the Common Elements in which all Unit Owners have undivided interests; and they are not part of the space within any Unit, which is owned exclusively by the Unit Owner.

The undivided percentage of each Unit in the Common Elements (the **"Common Interest"**) has been determined upon the basis of each Unit's floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium. These allocations are made pursuant to Real Property Law section 339-i(1)(iv), and are based upon each Unit's floor space, subject to the location of such Unit and the additional factors of relative value to other Units in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. The aggregate Common Interests of all Units equals one hundred percent (100%). Each Unit's Common Interest is listed in Schedule A. Each Unit Owner must pay common charges proportionate to the Common Interest allocated to his Unit, pursuant to Real Property Law sections 339-i and 339-m, and further pursuant to 13 NYCRR section 23.3(e)(5)(iii).

The authority to manage the Condominium is vested in the Condominium's Board of Managers (the **"Condominium Board"**), the members of which are elected by vote of the Unit Owners in accordance with their respective Common Interests (with the

exception of the Sponsor or its designee, which will maintain certain control beyond that to which it would be entitled as an ordinary function of its ownership interest). Each Unit Owner is obligated to comply with the Declaration, the By-Laws, the Rules and Regulations of the Condominium, and any other requirements lawfully imposed by the Condominium Board. See the Sections of the Plan entitled **"Rights and Obligations of Unit Owners"** and **"Rights and Obligations of Condominium Board/Summary of By-Laws."**

The Sponsor is obligated to defend any actions, suits or proceedings arising from Sponsor's acts or omissions, and to indemnify the Condominium, its Board of Managers and the Unit Owners with regard thereto.

The Condominium Board will, from time to time, assess all Unit Owners, in proportion to the respective Common Interests of their Units, charges (the **"Common Charges"**) for, among other things, the cost and expense of operating, maintaining and repairing the Common Elements (the **"Common Expenses"**). Each Unit Owner will be solely responsible for the payment of all Common Charges assessed against him. See the Section of the Plan entitled **"Rights and Obligations of Unit Owners."** An estimate of Common Charges that will be payable by each Unit Owner during the first year of Condominium operation of the Property is set forth in Schedule A.

Each Unit Owner may freely mortgage his Unit, as he sees fit, with such lender and in such amount as he chooses, subject only to compliance with certain filing requirements contained in the Condominium's By-Laws. See the Sections of the Plan entitled **"Rights and Obligations of Unit Owners"** and **"Rights and Obligations of Condominium Board/Summary of By-Laws."** Each Unit is separate and is not subject to the lien of any mortgage on any other Unit.

Any Unit Owner may sell or lease his Unit to anyone, without restriction or limitation, subject only to the right of first refusal in favor of the Condominium Board or a third party produced by the Condominium Board to acquire or lease such Unit upon the same terms offered to the prospective buyer or tenant. Units owned by Sponsor or any Sponsor Successor are not subject to this right of first refusal. 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; consequently, there may always be a substantial percentage of Unit Owners who

are non-residents. See the Section of the Plan entitled **"Rights and Obligations of Unit Owners"** for further discussion.

Because the Plan can be declared effective based on sales of 15 per cent of the Units to tenants or 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 or operation of the Property during such transition--or ever--since the Bylaws do not provide for an owner-occupant majority on the Board. A mixed rental/owner-occupant building often creates a situation where owner-occupants, non-resident owners and renters each have different interests. For as long as Sponsor shall continue to own any Units, Sponsor will have a continuing role in the operation of the Property, which could have the effect of impeding the ability of the non-Sponsor Unit owners to operate the Property in the full manner that they desire.

Each Unit will be taxed as a separate tax lot for real estate tax and assessment purposes, and each Unit Owner will be solely responsible for the payment of all real estate taxes and assessments on his Unit.

An estimate of the real estate taxes and assessments that will be payable by each Unit Owner during the first year of condominium operation of the Property is listed in Schedule A. See the Footnotes to Schedule A for further discussion. No Unit Owner will be liable for the payment of, and no Unit will be subject to, any lien arising out of the nonpayment of real estate taxes or assessments levied against any other Unit. See the Section of the Plan entitled **"Income Tax Deductions to Unit Owners and Tax Status of the Condominium"** for a discussion of additional tax aspects of condominium ownership.

Each Unit Owner may decorate the interior of his Unit in any desired manner, subject to compliance with the Condominium's By-Laws and the Rules and Regulations promulgated pursuant thereto, and will be solely responsible for the cost and expense of maintaining, repairing and painting his Unit, as well as obtaining separate casualty and liability insurance applicable solely to his Unit. See the Sections of the Plan entitled **"Rights and Obligations of Unit Owners"** and **"Rights and Obligations of the Condominium Board/Summary of By-Laws."**

Applicable Rent Laws

The Building is an "Old Law" multiple dwelling consisting of 20 residential apartments. As of November 1, 2004, all 20 of the apartments were occupied, of which 14 apartments were subject to the Rent Stabilization Law of 1969, as amended (the **"RSL"**), and the amended Code of the Rent Stabilization Association, Inc. (the **"Code"**); none of the apartments were controlled housing subject to the New York City Rent and Rehabilitation Law and the Rent and Eviction Regulations of the New York City Housing and Development Administration (collectively the **"Rent Control Laws"**); 5 apartments were deregulated (i.e., no longer subject to the RSL, the Code or the Rent Control laws and/or on month-to-month tenancies), and one apartment was vacant. The rent regulatory status of each Unit is set forth in Schedule A.

Except for the Units indicated on Schedule A as being not subject to rent regulation, all of the Units occupied by Eligible Tenants are subject to the RSL and the Code or the Rent Control Laws, as the case may be.

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 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. Complaints concerning such increases may be referred to the New York State Department of Law, Real Estate Financing Bureau, 120 Broadway, New York, New York 10271.

The Plan is a Non-Eviction Plan and is presented in compliance with Section 352-eeee of the General Business Law of the State of New York (the **"GBL"**). Pursuant to that section, no eviction proceedings will be commenced at any time against Non-Purchasing Tenants for failure to purchase or for 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 Unit Owner or a similar breach by the Non-Purchasing Tenant of his obligations to the Owner of the Unit. Further, a

Unit Owner may not commence an action to recover possession of a Unit from a Non-Purchasing Tenant on the grounds that he seeks the Unit for the use and occupancy of himself or his family.

Non-Purchasing Tenants who reside in Units subject to governmental regulation as to rentals and continued occupancy (that is, the RSL and the Code or the Rent Control Laws) prior to the conversion of the Property to condominium ownership shall continue to be subject thereto.

NO REPRESENTATION OR WARRANTY IS MADE THAT THE EXISTING LAWS WILL REMAIN IN EFFECT OR UNCHANGED OR THAT THE RIGHTS OF NON-PURCHASING TENANTS WITH REGARD TO RENT AND OCCUPANCY RIGHTS UNDER THE APPLICABLE RENT LAWS WILL NOT CHANGE. Notwithstanding the foregoing, the rights granted under the Plan to Purchasers and to Non-Purchasing Tenants may not be abrogated or reduced, notwithstanding any expiration of, or amendment to, Section 352-eeee of the GBL. See the Sections of the Plan entitled **"Rights of Existing Tenants"** and **"Obligations of Owners of Units Occupied by Non-Purchasing Tenants."**

Any tenant who purchases his Unit, like all other condominium owners, will no longer be subject to, or have any rights afforded to, Tenants under the RSL, the Code, the Rent Control Laws, Section 352-eeee of the GBL or any other Applicable Rent Laws. Any rental by a Unit Owner of a vacant Unit may be at free-market rents.

Summary of contents of the Plan

The agreement to purchase a Unit is called a **"Purchase Agreement"**, the general form of which is set forth in Part II of the Plan. The procedure to purchase is summarized in Part I of the Plan in the Section entitled **"Procedure to Purchase."**

A detailed description of the physical condition of the Property, prepared by George Schwarz, R.A., and included as part of the **"Description of Property and Building Condition"** contained in Part II of this Plan, should be reviewed carefully by prospective Purchasers.

Floor plans (the **"Floor Plans"**) of the Units are set forth in Part II of the Plan.

Section 352-eeee of the GBL is set forth in Part II of the Plan.

The salient provisions of the Declaration of the Condominium (the **"Declaration"**), which establishes condominium ownership of the Property, the By-Laws of the Condominium (the **"By-Laws"**), which govern the operation of the Condominium, and the Rules and Regulations of the Condominium promulgated pursuant to the By-Laws (the **"Rules and Regulations"**), are partially summarized below in the Sections entitled **"Rights and Obligations of Unit Owners"** and **"Rights and Obligations of Condominium Board/Summary of By-Laws"** and are reproduced in full in Part II of the Plan.

The form of deed that Sponsor will issue to Purchasers of the Units and the form of power of attorney that each Unit Owner will be required to give to the Condominium Board and to Sponsor pursuant to the terms of the By-Laws (the **"Unit Owner's Power of Attorney"**) are set forth in Part II of the Plan.

The Certifications of Sponsor, Sponsor's Architect, and Sponsor's Expert Concerning Adequacy of Budget are set forth in Part II of the Plan.

The Plan delivered to tenants and prospective purchasers, including all Schedules and Parts A, B and C of the Exhibits, contains all of the material terms of the transaction. Copies of the Plan, all documents referred to in the Plan, and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection without charge, and for copying at a reasonable charge, to prospective Purchasers and their attorneys at the office of Selling Agent or Sponsor by appointment.

There are no lawful limitations on who may purchase a Unit.

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 terms used in Part I of the Plan are set forth below. These definitions are subject to the more particular definitions of such terms set forth in Exhibit C to the Declaration in Part II of the Plan.

"Affiliate" means any Person who is a Family Member or who controls, is controlled by, or is under common control with the named Person or a Family Member of the named Person. The terms **"control"**, **"controlled"** or **"controlling"** shall mean direct or indirect ownership of more than fifty percent (50%) of the outstanding voting capital stock of a corporation or of more than fifty percent (50%) of the beneficial interests of any other entity.

"Amend", **"amended"** or **"amendment"** refer to any amendment, whether by deletion of any existing provision, modification of any existing provision, or inserting a new provision.

"Applicable Law" means all applicable laws, statutes, treaties, rules, codes, ordinances, regulations of any Governmental Authority and, to the extent the Property, any Unit, any Unit Owner, Sponsor, any Sponsor Successor and/or the Condominium Board, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any Governmental Authority, court, arbitrator or other administrative, judicial or quasi-judicial tribunal or agency of competent jurisdiction (including Applicable Rent Laws and those pertaining to health, safety or the environment) now or hereafter in effect.

"Applicable Rent Laws" means: (i) the Rent Stabilization Law of 1969; (ii) the Amended Code of the Rent Stabilization Association of New York City, Inc. adopted pursuant thereto; (iii) the New York City Rent and Rehabilitation Law; (iv) the Tenant Protection Regulations of the New York State Division of Housing and Community Renewal; (v) the Emergency Tenant Protection Act of 1974; (vi) New York City Local Law 4 of 1994; (vii) the 1993 Rent Regulation Reform Act; (viii) the Rent Regulation Reform Act of 1997; and (ix) the relevant provisions of the New York State General Business Law; to the extent that any or all of them shall apply to the Property or any part thereof, all as may be amended from time to time.

"Appurtenant Interest" means, with respect to any Unit, the undivided interest of the Unit Owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Attorney General" means the Office of the Attorney General of the State of New York.

"BCL" means the Business Corporation Law of the State of New York, as amended from time to time.

"Building" means the building situated on the Land and known as 452 West 19th Street, New York, New York.

"Building Systems" means utility and service systems and appurtenant installations now or hereafter installed by or on behalf of the Condominium Board which service the Building and are not expressly included as part of a Unit pursuant to the terms of the Declaration, including, without limitation: the electrical system; the water supply system; the water return (sewer) system; the gas supply system; any exhaust systems; any fire or life safety system; any master television or cable system/intercom; and any other mechanical, plumbing or electrical systems.

"By-Laws" means the By-Laws of the Condominium, in the form set forth in Part II of the Plan, including the Rules and Regulations, as amended from time to time pursuant to the terms thereof.

"Casualty Loss" means damage or destruction resulting from a fire or other casualty.

"Claim" or **"claims"** shall include any claims, counterclaims, suits, actions or proceedings and any other liabilities, losses, damages, penalties, charges, costs and expenses and attorneys' fees and expenses incurred in connection with any of the foregoing.

"Closing", "closing of title" and words of similar import are used synonymously and mean the settlement of the mutual obligations of Sponsor and a Purchaser under such

Purchaser's Purchase Agreement, including the payment to Sponsor of the Purchase Price and the delivery to such Purchaser of the deed transferring full ownership (fee simple title) to the Unit on the terms set forth in the Purchase Agreement.

"Closing Date" means the date scheduled for the closing of title to a Unit by Sponsor as same may be adjourned in accordance with the terms of the Purchase Agreement.

"Common Charges" means the charges allocated and assessed against the Units by the Condominium Board payable by the Unit Owners, pro rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), to meet the Common Expenses.

"Common Elements" means, collectively, any Limited Common Elements and the General Common Elements, and consist of all parts of the Property other than the Units.

"Common Expenses" means any and all: (i) costs and expenses paid or incurred generally by the Condominium pursuant to the Declaration and/or the By-Laws, including the Rules and Regulations, in connection with its operation and maintenance, and its performance of Work in and to the Common Elements (including, without limitation, accounting, legal, architectural, engineering or other professional or service fees); (ii) other items which are provided in the Declaration or By-Laws to be Common Expenses or are paid or incurred by the Condominium in connection with the conduct of Condominium affairs; (iii) payments required by the Condominium Board to be made by the Unit Owners to establish or maintain such general operating reserves or reserve funds 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; and (iv) all costs and expenses paid or incurred by the Condominium in connection with the purchase, lease or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Unit Owner has elected to sell, lease, transfer or convey such Unit or that is to be sold at a foreclosure or other sale.

"Common Interest" means the undivided percentage interest of each Unit in the Common Elements.

"Condominium" means The 452 West 19 Condominium, which is to be established pursuant to the terms of the Declaration and to be governed pursuant to the terms of the By-Laws.

"Condominium Act" means Article 9-B of the Real Property Law of the State of New York as amended from time to time.

"Condominium Board" means the governing body of the Condominium, whose members shall be selected pursuant to the terms of the By-Laws.

"Condominium Documents" means, collectively, the Declaration, the By-Laws (including the Rules and Regulations) and the Floor Plans, all as amended from time to time.

"Declaration" means the declaration executed by Sponsor for the purposes of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership thereof and includes any duly adopted amendments thereto.

"Department of Law" means the New York State Department of Law.

"DHCR" means the New York State Division of Housing and Community Renewal.

"Down Payment" means the payment on account of the Purchase Price, in an amount equal to ten percent (10%) of the Purchase Price, required to be paid by a Purchaser at the time of delivery of a Purchase Agreement.

"Effective Date" means the date upon which the Plan is declared effective by Sponsor in accordance with the terms of the Plan.

"Eligible Tenant" means (a) a bona fide residential tenant in occupancy on the Filing Date; (b) a bona fide residential tenant with the right to renew a residential lease on the Filing Date; and (c) a bona fide residential tenant who has the right to continued residential occupancy of a residential Unit on the Filing Date. A bona fide residential tenant of record with an unexpired residential lease on the Filing Date shall be presumed to be an Eligible Tenant even if the tenant has sublet the Unit or the Unit is not the tenant's primary residence. Additionally, a bona fide sublessee in residential occupancy on the Filing Date shall be deemed to be an Eligible Tenant if such sublessee sublets from a non-bona fide tenant or has obtained written permission to purchase the Unit from the bona fide tenant of record. Nothing herein,

however, shall be construed to deprive an owner of any legal remedy for illegal occupancy. Other than as set forth above, a subtenant is not an Eligible Tenant. A tenant who first leases or rents a Unit after the Plan is presented, a prospective Purchaser who upon signing a Purchase Agreement enters into an Interim Lease, and the estate of a tenant who dies before signing and returning a Purchase Agreement are not Eligible Tenants. An Eligible Tenant who (i) voluntarily surrenders his Unit, or (ii) is evicted pursuant to a court order before this Plan is presented or before signing and submitting a Purchase Agreement shall no longer be an Eligible Tenant.

"Escrow Agent" means Belkin Burden Wenig & Goldman, LLP.

"Exclusive Purchase Period" means the first ninety (90) days after the Presentation Date of the Plan.

"Existing Lease" means and includes any lease or occupancy agreement or the terms of any statutory tenancy in effect with respect to any Unit both: (a) on the later of (i) the Presentation Date of the Plan, or (ii) the Effective Date, and (b) at the time in question.

"Facilities" means 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. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term **"Facilities"** shall include all equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, elevators, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, Siamese connections, hoses, plumbing, fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture,

mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, draperies, shades, window coverings, wallpaper, wall coverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes.

"Family Members" means and includes a spouse, child (by blood, marriage or adoption), parents (including step-parents or parents-in-law), grandchildren, siblings and grandparents.

"Filing Date" means the date on which is issued a letter from the Department of Law advising that the Plan or any amendment to the Plan has been filed or accepted for filing by the Department of Law.

"First Unit Closing" means the first date upon which title to the first Unit that is conveyed by Sponsor is conveyed to a Purchaser pursuant to the terms of the Plan.

"First Year Budget" means the projection of receipts and expenses of the Property for the first twelve months following the projected date of the First Unit Closing contained in the Section of the Plan entitled **"Schedule B: Projected Budget for First Year of Condominium Operation."**

"Floor Plans" means the floor plans of the Units certified by George Schwarz, R.A. and to be filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

"GBL" means the General Business Law of the State of New York, as amended from time to time.

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

"Governmental Authority" means any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court having jurisdiction.

"Hazardous Materials" means chemicals, pollutants, contaminants, wastes and toxic substances, including but not limited to any solid or hazardous waste, hazardous substances, toxic substances, insecticides, fungicides, rodenticides, gasoline or any other petroleum product or byproduct, polychlorinated biphenyls, asbestos and urea formaldehyde to the extent any such substances are described as hazardous in any federal, state or local laws and regulations relating to pollution or protection of human health or the environment including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; the Federal Insecticide, Fungicide, and Rodenticide Act, as amended; the Resource Conservation and Recovery Act, as amended; the Superfund Amendments and Reauthorization Act of 1986, as amended; and the Toxic Substances Control Act, as amended.

"Holiday" means those days designated as holidays under the applicable union contract, or, if there is no applicable union contract, then the term **"Holiday"** shall mean any day on which state chartered banks in New York City are authorized or required to be closed or such other days as the Condominium Board may designate from time to time.

"Initial Control Period" means the period ending on the earlier of: (i) the closing of title with Purchasers under the Plan to Units having more than fifty percent (50%) of the aggregate Common Interests appertaining to all Units, or (ii) the fifth anniversary of the First Unit Closing.

"Insider Price" means the price offered in this Plan or in any duly filed amendment to the Plan exclusively to Eligible Tenants to purchase their respective Units.

"Institutional Lender" means (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, or (ii) a federal, state, municipal, teachers' or union employee, welfare, pension or retirement fund or system having assets in excess of $10,000,000, in each case doing business in the State of New York; or (iii) any Governmental Authority including an agency of the City or State of New York.

"Institutional Mortgage" means any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or an Institutional Lender.

"Insurance Trustee" means a bank or a trust company, in either event having both an office in the City of New York and a capital, surplus and undivided profits of $100,000,000 or more, from time to time appointed to serve as such by the Condominium Board.

"Land" means all that certain tract, plot, piece and parcel of land situated, lying and being in the City, County and State of New York, as more particularly described in Exhibit A to the Declaration.

"Limited Common Elements" means any portions of the Land and the Building (other than the Units) that are to be used by the Unit Owners of one or more specified Units to the exclusion of all other Unit Owners, as may be more particularly described in the Declaration. The area of the roof immediately above Unit 5B shall be deemed a Limited Common Element appurtenant to that Unit.

"Liquidated Sum" means the Down Payment under the Purchase Agreement, together with any interest earned thereon.

"Luxury Decontrol Laws" means New York City Local Law 4 of 1994, the 1993 Rent Regulation Reform Act and the Rent Regulation Reform Act of 1997 (chapter 116 of the Laws of 1997).

"Majority of Unit Owners" means those Unit Owners having more than fifty percent (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" means the Person engaged from time to time by the Condominium Board to perform the duties of a managing agent of the Building, and initially will mean Z & R Management Corp.

"Mortgage Representatives" means the representatives of the holders of all mortgages encumbering Units, designated by the holders of Institutional Mortgages in accordance with the terms of the By-Laws.

"Non-Eviction Plan" means an offering plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent (15%) of all Units in the Building by bona fide tenants in occupancy

or bona fide Purchasers who represent that they or one or more members of their immediate family intend to occupy the Unit when it becomes vacant.

"Non-Purchasing Tenant" means any Eligible Tenant who does not purchase his Unit or any other Unit in the Building. (Purchasers should note that recent Court decisions have defined "Non-Purchasing Tenant" differently. Paikoff v. Harris, 185 M.2d 372, 713 N.Y.S.2d 109 (App. Term 2d Dept. 1999) defined the term to include tenants who commence rental occupancy of an apartment after a conversion offering plan is accepted for filing by the Department of Law. However, Park West Village Associates v. Nishoika, 187 M.2d 243, 721 N.Y.S.2d 459 (App. Term 1st Dept. 2000) defined the term to apply only to tenants who became rental tenants prior to the date that a conversion offering plan is accepted for filing by the Department of Law. It is the position of the Sponsor that, absent a ruling by a higher appellate court that reconciles the different holdings, the holding in Park West Village Associates v. Nishoika would govern tenants at the Property, since the Building is located within the County of New York, which is the jurisdictional territory governed by the Appellate Term, First Department, the Court that issued the ruling in that case.)

"Owner-occupied" means occupied by a Unit Owner or a Family Member of a Unit Owner.

"Permit" or **"Permits"** means any action, approval, consent, waiver, exemption, variance, franchise, order, permit, authorization, certificate of occupancy, right or license, building notices, alteration applications or other form of legally required permission, of or from a Governmental Authority, including any zoning, environmental protection, pollution, sanitation, safety, siting or building permit that is necessary to operate and maintain the Property or any Building Systems or to perform any Work on any part of the Property.

"Permitted Encumbrances" means those title encumbrances subject to which a Purchaser under the Plan agrees to take title to a Unit, as more particularly itemized in the Section of the Plan entitled **"Closing of Title to Units and Terms of Sale."**

"Permitted Mortgage" means any mortgage covering one or more Units that is placed thereon in compliance with the terms contained in the By-Laws.

"Permitted Mortgagee" means any holder of a Permitted Mortgage at the time in question.

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

"Plan" means this offering plan to convert the Property to condominium ownership filed with the Department of Law of the State of New York pursuant to Section 352-eeee of the GBL, as may be amended from time to time.

"Purchase Agreement" means the purchase agreement between Sponsor and a Purchaser under the Plan in the form set forth in Part II of the Plan.

"Purchase Price" means the purchase price of a Unit.

"Purchaser" means a Person or Persons buying a Unit under a fully-executed Purchase Agreement.

"Presentation Date," "Date of Presentation," "presentation," "presented" and related words means the date of personal delivery or (if mailed) the fifth day after mailing (whichever is the last to occur) of this Plan or any amendment to the Plan, as the context may require, to those Persons required to receive same pursuant to the GBL and the regulations of the Department of Law promulgated thereunder.

"Property" means the Land, the Building, all other improvements erected or to be erected on the Land, all easements, rights, and appurtenances pertaining thereto and all other property, real, personal or mixed, used or intended to be used in connection therewith.

"Recognized Lender" means: (i) any bank, trust company, savings and loan association, savings bank, insurance company, real estate investment trust, or pension, retirement or welfare fund having assets in excess of $10,000,000, in each case doing business in the State of New York; (ii) any Governmental Authority including an agency of the City or State of New York; or (iii) any comparable institutional lender acceptable to Sponsor.

"Register's Office" means the New York County Office of the Register of the City of New York.

"Reserve Fund Law" means Chapter 8 of Title 26 of the New York City Administrative Code, as amended from time to time.

"Restorations" means the repair and restoration and other Work performed to the Property after a Casualty Loss or a Taking.

"Rules and Regulations" shall mean the rules and regulations of the Condominium, adopted by the Condominium Board pursuant to the By-Laws, as amended, modified, deleted from or added to 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, initially in the form set forth in Part II of the Plan.

"Selling Agent" means Croman Real Estate, having an office at 611 Broadway, New York, New York 10012.

"Special Assessments" means the charges allocated and assessed against the Units by the Condominium Board and payable by the Unit Owners, pro rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws.

"Sponsor" means 452 West Company.

"Sponsor's Counsel" means the law firm of Belkin Burden Wenig & Goldman, LLP, 270 Madison Avenue, New York, New York 10016.

"Sponsor Successor" means (i) any corporation or other entity which, through amalgamation, consolidation, or other legal succession becomes invested with the rights and assumes the burdens of Sponsor, or (ii) any Person, who, at any time, (a) purchases from Sponsor, or otherwise succeeds to (x) two or more Units, or (y) ten percent (10%) or more of all Units in the Condominium, or (z) all remaining Units then owned by Sponsor, and is designated as a Sponsor Successor by Sponsor and (b) is not purchasing such Units for his, her or its own occupancy or for occupancy by one or more of such Person's Family Members, and, in any case, shall also include any nominee holding any Unit for the account of the Person referred to in clause (i) or (ii) above. The phrase **"owned by"** shall include owned by any such nominee.

"Structural" when applied to any Work performed in or to a Unit or the Property means and refers to any Work affecting the foundations, columns, girders, beams, supports, concrete slabs and other such structural members of the Building, those portions of the exterior walls of the Building lying beyond the interior face of the brickwork, and all Building Systems, including without limitation, the mechanical, electrical, water supply and return (sewer), gas supply and heating systems.

"Taking" means a taking of all or any part of the Property in condemnation or by eminent domain.

"Unit" or **"Condominium Unit"** means any unit in the Condominium designated as such in the Declaration, consisting, generally, of a specific apartment in the Building. All of such units are, collectively, referred to as **"Units."**

"Unit Owner" means any record owner of a Unit, and all of such Unit Owners are, collectively, referred to as the **"Unit Owners."**

"Unsold Unit" or **"Unsold Units"** means any Unit or Units owned at the time in question by Sponsor or any Sponsor Successor. Any Unsold Unit shall retain its status and character as an Unsold Unit until: (i) it is no longer owned by Sponsor or any Sponsor Successor; (ii) it is occupied by a Unit Owner or a Family Member of a Unit Owner; or (iii) it is conveyed to a bona fide Purchaser for personal occupancy by the Purchaser or a Family Member of the Purchaser. Further, a Unit that is conveyed to Sponsor by a Purchaser who has elected to rescind his purchase of the Unit and receive a refund of the Purchase Price paid for the Unit as provided in the Plan shall thereupon once again become an Unsold Unit.

"Work" means and includes demolitions, alterations, installations, additions and improvements, repairs, replacements, substitutions, restorations and any other work performed in or to the Units or the Common Elements.

All other capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meaning ascribed thereto in the Declaration.

LOCATION AND AREA INFORMATION

Location

The Property is located on the south side of West 19th Street between Ninth and Tenth Avenues in the Chelsea neighborhood of New York City. The surrounding neighborhood is highly urban, and has a varied mixture of residential and commercial uses, with many condominium, cooperative and rental apartments and brownstones.

Transportation

Public transportation is easily accessible. The Building is conveniently and centrally located several blocks from several major subway stations where most subway lines servicing New York City stop. Many major bus routes are also on nearby avenues.

Recreational Facilities

The area surrounding the Condominium offers numerous parks, health clubs and other recreational facilities, including Chelsea Piers. Most major recreational attractions in the City are easily accessible by subway or bus.

Medical Facilities

St. Vincent's Hospital is within a mile of the Condominium. St. Luke's/Roosevelt Hospital is within two miles of the Condominium.

Religious Facilities

Numerous houses of worship, of virtually all religions and denominations, are within the neighborhood surrounding the Condominium.

Educational Facilities

Numerous public and private schools, serving all educational levels, are nearby, including but not limited to: (public schools) Public School 41, at 116 West 11th Street; Public School 3, at 490 Hudson Street; Intermediate School 70, at 333 West 17th Street; High School for the Humanities, at 351 West 18th Street; Chelsea Vocational High School, at 131 Avenue of the Americas; and (private schools) Corlears School, at 324

West 15th Street; St. Luke's School, at 487 Hudson Street; and Village Community School, at 272 West 10th Street.

Municipal Services

Police, fire, water, sanitation, snow removal and road maintenance services are all provided by the City of New York. The nearest police precinct house is the 10th Precinct, at 230 West 20th Street; the nearest Fire Department location is the High-Rise Unit of the Fire Department, at 146 West 19th Street.

Zoning and permitted uses

The Property is zoned R-8. The uses permitted as of right under such designation include residential occupancy, and certain community facility uses that are ancillary and complementary to residential use.

THE 452 WEST 19 CONDOMINIUM

SCHEDULE A – OFFERING PRICES AND RELATED INFORMATION

PROJECTED CHARGES ARE FOR JANUARY 1, 2006 – DECEMBER 31, 2006

Unit	(3) Rent Status	(2) Bedrooms/ Bathrooms	(1), (4) Approx. Area (Square Ft.)	(6), (7) Offering Prices to Tenants in Occupancy	(6), (7) Offering Prices to Non-Tenants	(5) Common Interest	(8) Projected Annual Common Charges	(8) Projected Monthly Common Charges	(9) Projected Annual R.E. Taxes	(9) Projected Monthly R.E. Taxes	(9) Projected Total Monthly Expenses
1A	S	1/1.5 D	1,320	$ 907,000	$ 1,008,000	5.397%	$ 7,998.35	$ 666.53	$ 8,685.00	$ 723.75	$ 1,390.28
1B	S	1/1.5 D	1,616	$ 1,052,000	$ 1,169,000	6.623%	$ 9,815.29	$ 817.94	$ 10,658.00	$ 888.17	$ 1,706.11
1C	S	1/1.5 D	1,878	$ 1,117,000	$ 1,241,000	7.709%	$ 11,424.74	$ 952.06	$ 12,405.00	$ 1,033.75	$ 1,985.81
1D	M	1/1.5 D	1,916	$ 1,127,000	$ 1,252,000	7.866%	$ 11,657.41	$ 971.45	$ 12,658.00	$ 1,054.83	$ 2,026.28
2A	S	1/1	1,024	$ 698,000	$ 776,000	4.171%	$ 6,181.42	$ 515.12	$ 6,712.00	$ 559.33	$ 1,074.45
2B	M	1/1	987	$ 683,000	$ 759,000	4.017%	$ 5,953.19	$ 496.10	$ 6,464.00	$ 538.67	$ 1,034.77
2C	S	1/1	1,006	$ 682,000	$ 758,000	4.096%	$ 6,070.27	$ 505.86	$ 6,591.00	$ 549.25	$ 1,055.11
2D	S	1/1	1,073	$ 736,000	$ 818,000	4.373%	$ 6,480.79	$ 540.07	$ 7,037.00	$ 586.42	$ 1,126.49
3A	V	1/1	1,024	$ 721,000	$ 801,000	4.308%	$ 6,384.46	$ 532.04	$ 6,932.00	$ 577.67	$ 1,109.71
3B	V	1/1	987	$ 700,000	$ 778,000	4.149%	$ 6,148.82	$ 512.40	$ 6,677.00	$ 556.42	$ 1,068.82
3C	S	1/1	1,006	$ 703,000	$ 781,000	4.231%	$ 6,270.34	$ 522.52	$ 6,809.00	$ 567.42	$ 1,089.94
3D	S	1/1	1,073	$ 758,000	$ 842,000	4.517%	$ 6,694.19	$ 557.85	$ 7,269.00	$ 605.75	$ 1,163.60
4A	S	1/1	1,024	$ 748,000	$ 831,000	4.471%	$ 6,626.02	$ 552.17	$ 7,195.00	$ 599.58	$ 1,151.75
4B	M	1/1	987	$ 724,000	$ 805,000	4.306%	$ 6,381.50	$ 531.79	$ 6,929.00	$ 577.42	$ 1,109.21
4C	S	1/1	1,006	$ 733,000	$ 814,000	4.392%	$ 6,508.94	$ 542.41	$ 7,068.00	$ 589.00	$ 1,131.41
4D	S	1/1	1,073	$ 787,000	$ 874,000	4.688%	$ 6,947.62	$ 578.97	$ 7,544.00	$ 628.67	$ 1,207.64
5A	S	2/1	1,024	$ 806,000	$ 896,000	4.825%	$ 7,150.65	$ 595.88	$ 7,764.00	$ 647.00	$ 1,242.88
5B	S	2/1.5 D*	1,283	$ 1,097,000	$ 1,219,000	6.063%	$ 8,985.36	$ 748.78	$ 9,757.00	$ 813.08	$ 1,561.86
5C	N	2/1	1,006	$ 840,000	$ 933,000	4.739%	$ 7,023.20	$ 585.27	$ 7,626.00	$ 635.50	$ 1,220.77
5D	S	2/1	1,073	$ 901,000	$ 1,001,000	5.059%	$ 7,497.44	$ 624.79	$ 8,141.00	$ 678.42	$ 1,303.21
BUILDING TOTAL				$16,520,000	$18,356,000	100.00%	$148,200.00	$12,350.00			

S = Rent-Stabilized
M = Month-to-month tenancy
N = Unregulated, free-market tenancy
V = Vacant
D = Duplex
*** = Roof Terrace Limited Common Element**

FOOTNOTES TO SCHEDULE A

(1) Any floor plan or sketch shown to a prospective Purchaser is only an approximation of the dimensions and layout of a typical Unit. The actual layout of a Unit may have been altered. Each Unit should be inspected prior to purchase to determine its useable dimensions, layout and physical condition.

(2) The number of bedrooms and bathrooms in each Unit set forth in Schedule A has been computed by Sponsor in accordance with the guidelines established by the Real Estate Board of New York, Inc. Partitions (if any) constructed by tenants or other occupants to enclose a sleeping alcove or walls moved or removed by tenants or other occupants (including former tenants or former owners) have not been taken into consideration for purposes of these calculations. The number of rooms set forth in Schedule A may vary from the registration information on file at the DHCR.

(3) A total of 20 Units (all of which are residential) are being offered for sale under this Plan. As of November 1, 2004, 14 Units were rent stabilized (i.e.. subject to the RSL and the Code); no Units were rent controlled (i.e., subject to the Rent Control Laws); 5 Units were deregulated (i.e., no longer rent stabilized or rent controlled, and/or on month-to-month tenancies); and one Unit was vacant.

The aggregate of the monthly rents currently payable from tenants of all occupied units is $44,523.76 per month.

NO REPRESENTATIONS OR WARRANTY IS MADE THAT THE EXISTING APPLICABLE LAWS WILL REMAIN IN EFFECT OR UNCHANGED OR THAT THE RIGHTS OF NON-PURCHASING TENANTS WITH REGARD TO RENT AND OCCUPANCY RIGHTS UNDER THE APPLICABLE RENT LAWS WILL NOT CHANGE. NOTWITHSTANDING THE FOREGOING, THE RIGHTS GRANTED UNDER THE PLAN TO PURCHASERS AND NON-PURCHASING TENANTS MAY NOT BE ABROGATED OR REDUCED, NOTWITHSTANDING ANY EXPIRATION OF, OR AMENDMENT TO SECTION 352-eeee OF THE GBL.

(4) Square footages indicated are calculated from dimensions of the Units only, which are approximate and measured: (i) horizontally by (a) the interior face of the brickwork constituting the exterior walls of the Building bounding the Unit, (b) the exterior face of walls (other than the aforesaid exterior walls) separating the Unit from Common Elements (if any), and (c) the center line of walls separating the Unit from other Units and (ii) vertically by the underside

of the Unit's finished flooring and the exposed painted face of the concrete ceiling or the unexposed side of the Unit's drywall ceiling, where applicable. Floor plans for each Unit appear in Part II of the Plan.

(5) The Common Interest allocated to each Unit is based upon respective floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium. These allocations are made pursuant to the terms of the Condominium Act. The aggregate Common Interest of all Units equals one hundred percent (100%).

(6) Each Eligible Tenant will have the exclusive right, during the Exclusive Purchase Period, to purchase his Unit for the Insider Price set forth on Schedule A. See the Section of the Plan entitled **"Rights of Existing Tenants"** for further discussion.

Sponsor has reserved the right to change the Purchase Price of any Unit from time to time in the manner set forth below, provided that the Purchase Prices to Eligible Tenants may not be increased during the Exclusive Purchase Period.

(7) The Purchase Prices set forth in Schedule A must be decreased or increased by a duly filed amendment to the Plan when the change in price is (a) an across-the-board change affecting one or more lines of Units or Unit models, (b) a price change that is to be advertised, or (c) a price increase for an individual Purchaser. Purchase Prices are negotiable. Accordingly, Sponsor may enter into a Purchase Agreement with a non-occupant Purchaser to sell a particular Unit at prices less than those set forth in Schedule A without filing an amendment beforehand.

In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of closing, such as legal fees, title insurance premiums, transfer taxes and recording charges. If Purchaser obtains a mortgage loan, Purchaser will also be responsible for the payment of additional closing costs and expenses relating to such loan. Finally, the apportionment of certain charges relating to the Unit at the time of the closing of title will be reflected as adjustments to the Purchase Price. See the Section of the Plan entitled **"Unit Closing Costs and Adjustments."**

(8) These estimates were based upon **"Schedule B: Projected Budget for the First Year of Condominium Operation"** (Schedule B), which was prepared for the year January 1, 2006-December 31, 2006. This period is used only for purposes of projection and illustration. Sponsor does not warrant that condominium operation will commence on January 1, 2006. The estimated Common Charges are based upon the estimates of income and expenses set forth in Schedule B. The actual amounts of income and expenses may differ from the estimates thereof and may change in subsequent years. Because of the possibility of unforeseeable changes in the economy or increase or decrease in the amount of income and/or expenses of operation, the projections are not intended to be taken as guarantees or warranties of any kind whatsoever or as any assurance that the actual expenses or income of the Condominium for any period of operation may not vary from the amounts shown. In fact, it may be expected, based on current trends, that the operating expenses, including fuel costs, utilities, maintenance and repairs, labor and other related expenses, will increase in the future.

In addition to these estimated charges, each Unit Owner will be responsible for paying: (i) the costs of electricity, which will be separately metered for each Unit; (ii) mortgage payments under any loan or loans obtained to finance the acquisition of his Unit; (iii) the cost of interior repairs to, and the maintenance, painting and decoration of, his Unit (including, without limitation, the equipment and appliances contained therein); and (iv) the cost of any insurance covering (a) furniture, belongings, equipment and other personal property and (b) liability to others for personal or property damage as a result of occurrences in his Unit.

(9) After the Property is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for the payment of, nor will the Unit Owner be subject to, any lien arising from the non-payment of taxes on other Units. See section of the PLan entitled **"Real Estate Taxes"**.

This projection is based upon the real estate taxation history of the Property:

Year	Assessed Valuation	Tax rate
2001/2002	$ 886,061	10.85%

2002/2003	$1,084,500	10.80%
2003/2004	$1,123,200	12.52%
2004/2005	$1,159,200	12.62%

Under present law, if there is an increase in the assessed valuation over the previous year, the new assessed valuation is not billed all at once to the taxpayer. The increase is phased in over five (5) consecutive tax years; 20% is phased in each year, beginning with the first year of the increase. During the initial four (4) years, the partial assessed valuations are termed "transitional" assessed valuations.

The tax assessments of condominium apartment buildings are governed by Section 581 of the Real Property Law. This law requires the tax assessor to disregard the condominium form of ownership in valuing such properties and to value the building in the same manner as similar but non-condominium owned, rental buildings. Thus, while the fact of conversion of the Building to condominium ownership will not automatically cause an increase in assessed value, the assessed valuation may increase in the future in accordance with New York City assessment practices.

The Property is not currently subject to any real estate tax abatement.

Property in New York City is reassessed on an annual basis. Although the actual assessed valuation and the tax rate are likely to increase, it is impossible to predict the amount of future increases in assessed valuation or future tax rates. Consequently, Sponsor has included a ten percent (10%) increase in the projection to account for potential increases in the assessed valuation and the tax rate that may occur between the end of the 2004-2005 tax year and the end of the first year of condominium operation.

A Unit Owner's proportionate share of taxes will be adjusted with Sponsor from the midnight preceding the date of the Unit Closing through the end of the tax period within which the closing date occurs.

If on the date of the First Unit Closing, the Units have not been separately assessed as independent tax lots, then until such time as an independent tax assessment is made and in

effect for each Unit Owner, including Sponsor, the tax liability of each Unit Owner will be determined by multiplying the percentage of Common Interest attributable to his Unit by the aggregate real estate taxes assessed against the Property.

If the Units have not been separately assessed for real estate tax purposes prior to the First Unit Closing, and such First Unit Closing occurs during a tax payment period, Sponsor will have paid the real estate taxes through the end of such tax payment period. For example, if the First Unit closing occurs on October 3, 2005, Sponsor will have paid the real estate taxes for the Property through December 31, 2005. Thereafter, until a separate assessment for each Unit has occurred, each Unit Owner, or such Unit Owner's mortgagee, if his mortgagee is maintaining an escrow for the payment of real estate taxes, shall, on January 1st and July 1st of each year, pay to the Condominium Board, for the purpose of paying such Unit Owner's share of the real estate taxes for the ensuing six months, an amount determined by multiplying such Unit Owner's percentage of Common Interest by the aggregate real estate taxes assessed against the tax lot comprising the Property for the six-month time period. The Condominium Board shall keep all such funds in a separate account for the purpose of paying the real estate taxes for the Property when due. Sponsor shall also pay into this special account with respect to any Units owned by it.

If a subsequent adjustment needs to be made when the tax lots are apportioned, it will be made at that time.

No warranties or assurances are given that the Governmental Authorities involved will assess the Units in the manner stated above or that the law on which same is based will not change. The amounts of tax deductions available to Unit Owners attributable to real estate taxes may vary in future years, due to changes in tax laws, tax rates, or assessed valuations.

Sponsor has periodically instituted tax certiorari proceedings to protest the assessed valuation for various tax years. Sponsor is authorized to continue these proceedings and to litigate or settle same in its sole discretion whether before or after the First Unit Closing. Provided the closing to a Purchaser's Unit occurs within the said tax year, the net refund, if any, received by Sponsor for Real Estate taxes paid for said tax year shall be adjusted between each such Purchaser and Sponsor as set forth above, after deducting all expenses,

including, without limitation, counsel fees incurred in obtaining such reduction. Each Unit Owner shall be responsible, at his sole cost and expense, to review the real estate tax assessment of his Unit and to take any steps necessary to review and/or challenge such assessments for the 2005-2006 tax year and thereafter.

Projected income tax deductions may vary in future years due to changes in the interest rate on the Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate, or the method of assessing real property.

SCHEDULE B

PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

JANUARY 1, 2006-DECEMBER 31, 2006

Projected Income

(1)	Common Charges	$148,200
(2)	Laundry	3,100
(3)	TOTAL	$151,300

Projected Expenses

(4)	Labor	$ 30,000
(5)	Heating	21,700
(6)	Utilities (electricity and gas) ...	5,400
(7)	Water charges and sewer rents	6,000
(8)	Repairs, maintenance and supplies .	18,400
(9)	Service contracts	6,400
(10)	Insurance	21,500
(11)	Management fees	27,000
(12)	Legal fees and audit fees	5,500
(13)	Other	4,000
(14)	Contingency	5,400
	TOTAL	$151,300

FOOTNOTES TO SCHEDULE B

1. Common Charges (Budget--$148,200)

The estimate of the annual Common Charges to be collected during the first year of condominium operation is based upon the assumption that the first year of condominium operation will be the 12-month period from January 1-December 31, 2006. The actual first year of operation may be earlier or later than that year. The projected expenses contemplate that the same level of services that have been provided for the Building in the recent past will be provided during the first year of condominium operation.

2. Laundry income (Budget--$3,100)

At the First Unit Closing, Sponsor will assign to the Condominium all of Sponsor's right, title and interest in the Laundry Room Lease Agreement, dated January 22, 2003 (the **"Laundry Room Lease"**), between Sponsor, Sponsor's predecessor in interest, or Sponsor's agent as lessor, and Coinmach Corp., as lessee (the **"Vendor"**), and the Condominium will assume all obligations of the lessor under the Laundry Room Lease. Under the Laundry Room Lease, the laundry room in the Building is leased to the Vendor to use solely for the purpose of installing and operating for the benefit of the Building a laundry room with coin-metered laundry washers and dryers; the vendor is required to pay as rental under the Laundry Room Lease an amount equal to SIXTY PERCENT (60%) of total gross receipts collected by the Vendor, payable monthly. The Laundry Room Lease expires January, 2010.

Under the Laundry Room Lease, the Vendor owns and maintains, at its own expense, all laundry equipment in the laundry room and may remove such equipment upon the expiration of the Laundry Room Lease. The Condominium, at its own expense, as lessor under the Laundry Room Lease, will be required to provide the Vendor with electricity, heat, gas, hot and cold water and the use of sewer, Building vent lines or other utility lines.

The cost of providing these services to the Vendor is included in the estimates contained in Footnotes 5, 6 and 7. No assurance is given that the income received from the Laundry Room Lease will be adequate during the entire term of the Laundry Room Lease to cover the cost of providing these services. Since the cost of these services may increase by reason of inflation and higher energy costs, prospective Purchasers are advised that the ratio of income generated by the Laundry Room Lease to the expenses incurred in connection therewith may decline in the future.

Purchasers should note that, in the event that actual laundry revenues are lower than the amount budgeted, Common Charges may have to be increased to compensate therefor.

3. Total projected income (Budget--$151,300)

This figure does not include any interest income that may be received by the Condominium from investment of monies constituting the Reserve Fund or Working Capital Fund. All or part of the Reserve Fund or Working Capital Fund may be expended during the first or subsequent years of operation. Accordingly, such interest income cannot be determined with exactitude and may be inconsequential. For this reason, and for the further reason that such interest income does not reflect normally anticipated income from operations, no interest income has been included in the estimated income for the first year of condominium operation.

4. Labor (Budget--$30,000)

The amount budgeted contemplates the hiring of a full-time, non-resident superintendent, who will perform maintenance, as needed, to the common areas of the Building only. The projection is based upon 55 weeks to compensate for any possible sick days and periods of leave, and includes FICA, N.Y.S. Unemployment, and FUTA. The insurance projection set forth in Footnote 10 below includes a projected premium cost which includes Workers' Compensation coverage and New York State Disability coverage.

The duties of the non-resident superintendent will include cleaning the vestibule, lobby, corridors, basement, stairs, sidewalk and other Common Areas, as needed, collecting the trash from the areas designated by the Condominium Board,

and putting out trash cans for collection. It will be the responsibility of the Condominium to retain a superintendent who will be treated as an employee as long as Sponsor controls the Condominium Board. At present there is a full-time non-resident superintendent who has been employed by the Sponsor to perform the maintenance services set forth above; such current employee may or may not be retained. The present staff's wages and benefits meet state minimum wage laws.

5. Heating and hot water (Budget--$21,700)

The Building uses gas as fuel for heat and hot water; in addition, #2 oil can be used as fuel in the event that cost differentials justify same. The heat and hot water costs for the Building are estimated by the Managing Agent based on a projected consumption of 15,600 therms per year at an estimated cost of $1.15 per therm, including all taxes, fees, etc., plus an increase of more than 4% for inflation. The projected consumption is based on the total average consumption for the three (3) prior calendar years:

Year	Number of Therms	Average Cost Per Therm
2001	12,294	$1.19
2002	12,925	$0.98
2003	14,517	$1.10
2004	15,000 *	$1.10 *

*estimated

The aggregate amount budgeted for heating and hot water, as well as for utilities (footnote #6, below), is significantly higher than the aggregate of "Utilities" set forth in the certified financial statements incurred by the Sponsor for 2003, for the purpose of conservatism.

Purchasers should note that, under currently-applicable facts, in the event that the Condominium shall use oil instead of gas as its primary fuel, the costs of heating and hot water would probably not increase over those budgeted herein, since a decision to switch to oil-based heat would be made only if the costs of oil were significantly less than those related to gas-based heat.

6. Utilities (Budget--$5,400)

This budget item includes the estimated cost of gas and electricity for the Common Elements, including the laundry room (all of which are Common Expenses), as well as the estimated cost of cooking gas to be consumed in individual Units. It does not include the cost of electricity to individual Units, which will be separately metered, and for which each Unit Owner will pay the charges for all electricity furnished to his Unit, as measured by such separate meter, directly to the electric utility company servicing the Unit, as and when billed.

As a result of the deregulation of utility companies, each Unit Owner will be able to obtain electricity from an energy service company (an "ESCO") other than Con Edison, although Con Edison will continue to physically deliver electricity to the Building through its existing network. Unless a Unit Owner makes his own arrangements to switch to an ESCO, his electricity will continue to be supplied by Con Edison.

The estimated projected cost of electricity for the Common Elements for the first year of condominium operation, prepared by the Managing Agent, is based on a total average consumption of electricity for the Common Elements, including the laundry room, during the three (3) prior calendar years, with a 4% increase over the average cost per kilowatt hour during 2004.

The estimated projected cost of gas for the first year of condominium operation is based on the average consumption of gas, during the three prior calendar years, of 363 therms, at an estimated cost of $1.15 per therm, which is a 4% increase over the average cost per therm during that period.

The cost and consumption of gas and electricity for the past three years were as follows:

Year	Electric Cost	Gas Cost*
2004	$4,600**	$583
2003	$4,332	$555
2002	$4,139	$467

*including burner pilot
**estimated

Rates currently being paid by the Sponsor are as follows (including all applicable sales taxes and other charges):

Electricity	$0.10/kwh
Cooking gas	$0.40/therm
Gas heating	$1.10/therm

It is not possible to predict how closely the budgeted figure will reflect the actual expenses for electricity and gas to be incurred during the first year of condominium operation, in part because such expenses will vary with the level of consumption and the applicable gas and electric rates. Many factors affect the cost of electricity including, among others, the cost of oil (which has in the past been highly volatile and unpredictable) used to generate electricity. Historically, electric rates have been steadily increasing and the cost of gas is likely to increase, although it is not possible to forecast with certainty the amount or timing of such increases. It is believed that the projected figure should be sufficient to cover any reasonable increase in the cost of electricity and gas during the first year of condominium operation.

7. Water and sewer (Budget--$6,000)

The Building is currently billed an annual metered charge for water charges and sewer rents. The budgeted amount is based on 2004's metered charges with an increase of more than 10% included in the estimate.

Rates currently being paid by the Sponsor are as follows (including any applicable sales taxes and other charges):

Water consumption	$1.60/hundred cubic feet
Sewer charge	160% of water charges

The Sponsor's costs for water charges and sewer rents for the past four years are as follows:

	Water	Sewer	Total
2002	$1,059.07	$1,683.93	$2,743.00
2003	$ 926.52	$1,473.16	$2,399.68
2004	$ 977.02	$1,553.45	$2,530.47
2005	$ 568.26	$ 903.53	$1,471.79 (partial year)

8. Repairs, maintenance and supplies (Budget--$18,400)

The budget figure for these items is based upon an analysis of prior costs for normal repairs, maintenance and supplies in respect of the Building. It excludes Building services and maintenance items included under Footnote 9 (Service Contracts), and includes the cost of (a) various supplies (such as cleaning supplies and materials, lubricants, bulbs, public fixtures, and general and hardware supplies) and (b) interior and exterior repairs to the Common Elements, including the Building Systems, glass repair, lock replacement and repair, floor repairs, electrical and plumbing work, intercom work, boiler maintenance and repairs and periodic painting of the public halls and other Common Elements. However, the budgeted item does not include the cost of repairs to, or the painting and decorating of, the interior of Units, or the cost of repair or replacement of appliances in the Units, which costs will be the responsibility of each Unit Owner.

The estimated cost of the aforementioned supplies, $4,400, is estimated to represent approximately 24% of this budget item. The remaining portion of this budgeted figure, or approximately $14,000, is projected to be expended in connection with repairs and maintenance in respect to the Property for the first year of condominium operation. This amount will be borne by the Unit Owners of the Condominium, not by the Sponsor (except to the extent that the Sponsor owns any Unsold Unit(s), in which case the Sponsor will bear its pro rata share of such expense, as part of the Common Charges attributable to such Unsold Unit(s).) The following is a detailed breakdown of such projected repairs and maintenance items and the cost therefor:

Item	Projected Cost*
Painting and decorating	$ 1,000
Plumbing	2,000
Boiler and burner	7,000
Roof, exterior, lobby, glass and floor repairs	3,000
Intercom and electric	1,000
TOTAL PROJECTED REPAIRS AND MAINTENANCE	$14,000

*expenses not covered by service agreement

The amount budgeted for repairs, maintenance and supplies is significantly lower than the amount of "Repairs and Maintenance" set forth in the certified financial statements incurred by the Sponsor for 2003, in light of the fact that the Sponsor incurred certain large non-recurring expenses in 2003, including in connection with extensive replacement.

9. Service contracts (Budget--$6,400)

The budget amount is based on the annual costs of contracts currently in place and anticipated as noted below:

Contractor	Expiration Date	Service	Annual Cost
Aggressive Heating	11/30/05	Boiler/burner	$1,081
Metro Group	11/30/05	Water treatment	351
Kone Elevator	12/31/09	Elevator	3,625
Acme Exterminating	Month-month	Exterminating	1,225

Reference should be made to the Section of the Plan entitled **"Management Agreement, Contracts and Leases"** for details of these and other important contracts.

10. Insurance (Budget--$21,500)

Based on an estimate dated December 22, 2004 from Jacob J. Katz & Company, the following insurance is recommended for the Property for the first year of condominium operation:

Building All Risk	$2,648,500
Loss of income	12 months
Liability:	
Each occurrence	1,000,000
General aggregate	2,000,000
Directors and Officers	1,000,000
Umbrella liability	2,000,000

(Deductible is $1,000)

The fire, casualty and general liability components of the above coverage are on terms that provide: (i) that each Unit Owner is an additional insured party; (ii) that there will be no cancellation without notice to the Board of Managers; (iii) for a waiver of subrogation; (iv) for a waiver of invalidity because of the acts of the insured and Unit Owners; and (v) for waiver of pro-rata reduction if Unit Owners obtain additional coverage.

The above coverage limits are based upon an agreed value replacement cost for the Building (the estimated cost to rebuild, exclusive of the cost of excavating and rebuilding the foundation), and as such, the insurer will have waived any claim that the insured is a coinsurer and the insurer will be obligated to reimburse the insured for losses, up to the full amount of the policy, based on the actual replacement cost of the Building. Because of the difficulty in estimating replacement costs and because of increases in construction costs, there can be no warranty that the suggested coverage will yield sufficient proceeds to replace the Building or any portion thereof in the event of a total or partial loss. In order to safeguard the investment of its Unit Owners in the event of a substantial or total destruction of the Building, the Condominium Board should periodically review the amount of casualty insurance for the Building to insure that the amount of coverage is sufficient. Additionally, the estimated premiums are subject to change based upon rate changes, market conditions and reinsurance costs at the time the coverage is actually bound.

In recent years, premiums for insurance (especially fire liability) have increased substantially. It is not possible to predict whether premiums will escalate in the future or will level off. Although the projection is believed to be reasonable, no budgeted item is warranted. At the First Unit Closing, Sponsor will deliver (at the Condominium's expense) a fire and liability binder or policy providing insurance coverage in accordance with the foregoing schedule.

Coverage for the following additional categories of insurance is not included in the foregoing and may be available at extra cost to the Condominium: rent insurance; water damage; elevator collision; boiler and machinery; auto liability; and fidelity bond.

This coverage does not include claims for personal injury or property damage resulting from occurrences in Units, nor does it include coverage of the furniture or personal property of Unit Owners. Therefore, each Unit Owner should consider the desirability of obtaining additional insurance at his own cost covering, among other items, (i) fire or casualty losses to the contents of his Unit and any replacements, additions, upgraded fixtures and improvements therein, (ii) damage to other personal property, and (iii) liability for personal injury as a result of occurrences in the individual Units.

11. Management Fees (Budget--$27,000)

It is contemplated that immediately prior to the First Unit Closing, the Condominium Board will enter into a management agreement with Z & R Management Corp. (the **"Managing Agent"**) (which is an affiliate of the Sponsor) for an initial term of three (3) years at a fixed annual fee of $27,000, payable in monthly installments of $2,250. In Sponsor's opinion, the management fees contemplated herein are consistent with the current market cost for providing such services in a building of this size and type. Sponsor makes no representation as to the availability of management services at this estimated yearly rate after the expiration of the term of the management agreement. Subsequent to the expiration or termination of the management agreement with the Managing Agent, it shall be the responsibility of the Condominium Board to retain a managing agent. Please consult the Section of the Plan entitled **"Management Agreement, Contracts and Leases"** for further discussion.

The amount budgeted for management fees is significantly higher than the amount for such expense category set forth in the certified financial statements incurred by the Sponsor for 2003, for the sake of conservatism.

12. Legal and Accounting (Budget--$5,500)

It is anticipated that this budgeted amount will be used primarily for auditing fees in connection with the preparation of the Condominium's audited financial statement for the first year of operation based on a fee quotation of $4,000 provided by the firm of Lesser Leff & Company, certified public accountants, 733 Third Avenue, New York, New York, and the

balance to provide for minor, incidental legal services in the event the Condominium Board determines to engage an attorney.

The amount budgeted for the legal fees component of these fees, $1,500, is low and is intended to cover the de minimis legal work anticipated for a Condominium during its first year of operation.

13. Other (Budget--$4,000)

The budgeted figure represents the estimated cost of certain miscellaneous operational expenses of the Building (including but not limited to permits, dues and subscriptions, miscellaneous, and building telephone charges) and estimated federal taxes (estimated at $500 per annum), New York State franchise taxes (estimated at $500 per annum) and New York City franchise and other taxes (estimated at $500 per annum).

14. Contingency (Budget--$5,400)

This item is included to provide a fund for possible expenses which may be incurred and are not included elsewhere in the budget, or for possible increases in one or more items of Common Expenses above the amount projected.

GENERAL

The budget and any item contained in the budget may be modified from time to time prior to the commencement of, or during, condominium operation to add or delete budgeted items or to increase or decrease one or more budgeted items. The reserve for contingencies does not include a reserve for capital replacements or repairs, for which no provision is made under this budget. Reference should be made to the Section of the Plan entitled **"Working Capital Fund; Closing Adjustments with Condominium Board; Reserve Fund"** for a discussion of reserves which may be used for capital replacements.

IN THE OPINION OF SPONSOR, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED COMMON EXPENSES FOR THE FIRST FISCAL YEAR OF CONDOMIN1UM OPERATION COMMENCING JULY 1, 2005. THE FOREGOING SCHEDULE, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTY OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN SAID

SCHEDULE, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM THE AMOUNTS SHOWN IN THE SCHEDULE.

If the actual or anticipated date of commencement of condominium operation is delayed more than six (6) months from the budget year projected in the Plan, the Plan will be amended to include a revised budget disclosing then-current projections. If such amended projections exceed the projections set forth above by twenty-five percent (25%) or more, each Purchaser shall have the right for fifteen (15) days after the Presentation Date of such amendment to rescind his Purchase Agreement, and, if not otherwise in default, have his Down Payment refunded.

Sponsor reserves the right to enter into additional or other service, maintenance, employment, concessionaire and other agreements that will be binding on the Condominium upon commencement of condominium operation. Sponsor shall not, however, enter into any binding service, maintenance, employment, concessionaire or other agreements that will materially increase the first year's projected Common Charges or that will be binding on the Condominium for a period of more than two (2) years from the commencement of condominium operation, unless disclosed in an amendment to the Plan.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

As set forth in the opinion of counsel (below) the Common Interest percentages allocated to each Unit in the Condominium have been allocated in the manner prescribed by Real Property Law section 339-i(1)(iv): based on each Unit's floor space, subject to the location of such Unit, such Unit's relative value to other space in the Condominium, the uniqueness of such Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of such Unit.

CHANGES IN PRICES AND UNITS

Changes in price and terms of sale

Subject to the conditions hereinafter set forth, Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without prior notice or prior amendment to the Plan and without the consent or

approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, any mortgagee or any other party, to change the Purchase Price, the manner of payment and any other term of sale of any Unit as permitted by the terms of this Plan, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default may be made without the consent of the Purchaser.

Changes in the Purchase Prices set forth in Schedule A will be made pursuant to a duly filed amendment to the Plan when such change in price is an across-the-board change affecting one or more lines of Units or Unit models or is to be advertised or is a price increase for an individual Purchaser. As set forth in the Footnotes to Schedule A, Purchase Prices are negotiable. Accordingly, unless it would constitute a prohibited discriminatory inducement, Sponsor may enter into a Purchase Agreement with an individual Purchaser to sell one or more Units at prices less than those set forth in Schedule A without filing an amendment.

During the Exclusive Purchase Period the Purchase Prices to Eligible Tenants as set forth in Schedule A of the Plan will not be increased.

If Sponsor changes the Purchase Price of one or more Units, the Purchaser of such Unit may pay, or may have paid, more or less than other Purchasers of comparable Units having the same Common Interest. Such a price change, however, will not alter the Common Interest of, or the amount of the Common Charges payable by, the owners of Units.

Changes of size, layout and number of Units

In order to meet the possible varying demands for number and type of Units, or to meet the particular needs of prospective Purchasers, or for any other reason, Sponsor reserves the right to change: (a) the layout of, or number of rooms in, Unsold Units and (b) the size or number of Unsold Units, by subdividing one or more Unsold Units into two or more separate Units, by combining two or more separate Unsold Units into one or more Unsold Units, by altering the boundary walls of any Unsold Unit, or otherwise, including, without limitation, the use of any portion of the Common Elements adjacent to such Unsold Units to the extent that such portion is not required to

be maintained as Common Elements pursuant to the terms of the Declaration and the By-Laws. Subject to the terms of the last two paragraphs of this subsection, such right may be exercised by Sponsor from time to time, both before and after the recording of the Declaration, without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, any mortgagee or any other party. Sponsor, however, will first obtain the approval of all governmental authorities having jurisdiction thereof whose approval is required by Applicable Law. In addition, if a Purchase Agreement has been signed with respect to a Unit and the Purchaser thereunder is not in default, Sponsor will not materially change the size of such Unit or its Common Interest without the written consent of the Purchaser. Further, Sponsor will not cause any material change to be made in the size or quality of the Common Elements unless Purchasers who are not then in default under their Purchase Agreements are given the right to rescind their Purchase Agreements for fifteen (15) days subsequent to the date of presentation of such right. In the event a Purchaser elects to rescind his Purchase Agreement pursuant to the above, Sponsor will promptly return any downpayment that is being held with interest, if any.

As long as the layout and dimensions of a Unit conform to the Floor Plans, subject to minor inaccuracies, a Purchaser will not be excused from purchasing his Unit for such reason and will not have any claim against Sponsor as a result of such deviation.

If Sponsor changes the size or number of Unsold Units, Sponsor will increase or decrease the Common Interests appurtenant thereto accordingly. The aggregate amount of the Common Interests of all the Units, however, will always remain at 100%. As a result of any reapportionment of the Common Interests appurtenant to Unsold Units, the amount of the Common Charges and the real estate taxes and assessments payable by the owners of the Unsold Units affected thereby will be increased or decreased proportionately, but the amount of the Common Charges and the real estate taxes and assessments payable by the owners of Units unaffected thereby will not vary.

The Plan will be amended to reflect any change in the size or number of Units, their respective Common Interests, or the size or quality of the Common Elements; however, the layout

and number of rooms in Unsold Units may be changed without prior notice or amendment of this Plan.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls, or otherwise, nor may the Common Interest of any Unit be changed, unless the Declaration is amended and such amendment is duly recorded. As more particularly provided in the Declaration, Sponsor or any Sponsor Successor, as the owner of an Unsold Unit, will have the right itself to so amend the Declaration to effectuate such change, provided the Common Element space is not decreased, without the Condominium Board, the other Unit Owners or any mortgagee consenting to, or executing, such amendment. No change of a Unit's Common Interest will be made, however, without the prior written consent of the owner of such Unit having been obtained.

To the extent permitted by Applicable Law, if the size or configuration of a Unit is changed in compliance with the Plan and the Condominium Documents and, in connection therewith, a wall, space or other area forming a part of the Common Elements servicing and benefiting only such Unit is razed or incorporated in the Unit, then such Common Element shall be deemed for the exclusive use and benefit of the owner of such Unit and the Unit's Common Interest will remain unchanged.

No change will be made in the size or number of Units, or to their respective Common Interest percentages, and no material change will be made in the size or quality of Common Elements, except in each case by an amendment to this Plan and, when applicable, to the Declaration.

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

No material change will be made in the size, and no material adverse change will be made in the quality, of Common Elements 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. The Sponsor shall be obligated to return any deposit or downpayment promptly to any Purchaser who so rescinds.

452 WEST COMPANY

FINANCIAL STATEMENTS

DECEMBER 31, 2003

452 WEST COMPANY

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DECEMBER 31, 2003

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EXHIBIT "A" - Balance Sheets as at December 31, 2003 and 2002

EXHIBIT "B" - Statements of Operations and Partners Capital (Deficit)for the Years ended December 31, 2003 and 2002

EXHIBIT "C" - Statements of Cash Flows for the Years Ended December 31, 2003 and 2002

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Supplementary Financial Information

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TARRYTOWN, N. Y.

INDEPENDENT AUDITOR'S REPORT

To The Partners of
452 West Company

We have audited the accompanying balance sheet of 452 West Company as of December 31, 2003 and 2002 and the related statements of operations, and partner's capital/(deficit) and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 452 West Company as of December 2003 and 2002, and the results of its operation and its cash flows for the years then ended in conformity with generally accepted accounting principles accepted in the United States of America.

Lesser Leff & Company LLP

December 3, 2004
New York, New York

452 WEST COMPANY

BALANCE SHEETS

DECEMBER 31, 2003 AND 2002

ASSETS

EXHIBIT "A"

	2003	2002
CURRENT ASSETS		
Cash and Cash Equivalents	$ 47,256	$ 30,028
Rent Receivable	7,894	7,545
Miscellaneous Receivable (Note 4)	--	34,000
Prepaid Expenses	3,309	2,991
Mortgage Escrow	41,251	35,751
	99,710	110,315
REAL AND PERSONAL PROPERTY		
Land and Building – Net of Accumulated Depreciation of $1,861,706 in 2003 and $1,775,182 in 2002 (Note 2)	358,206	440,213
OTHER ASSETS		
Security Deposits	46,701	45,573
Mortgage Costs – Net of Accumulated Amortization of $36,681 for 2003 and $31,948 for 2002	10,647	15,380
Total Other Assets	57,348	60,953
TOTAL ASSETS	$ 515,264	$ 611,481

The accompanying notes are an integral part of this financial statement.

452 WEST COMPANY

BALANCE SHEETS

DECEMBER 31, 2003 AND 2002

LIABILITIES AND PARTNERS CAPITAL

EXHIBIT "A"

	2003	2002
CURRENT LIABILITIES		
Accounts Payable	$ 4,162	$ 3,281
Mortgage Payable - Current Portion (Note 3)	39,903	36,754
Total Current Liabilities	44,065	40,035
LONG TERM LIABILITES		
Mortgage Payable - Net of Current Portion (Note 3)	1,444,069	1,483,972
Tenants Security	46,796	45,573
Total Long Term Liabilities	1,490,865	1,529,545
TOTAL LIABILITES	1,534,930	1,569,589
PARTNERS CAPITAL	(1,019,666)	(958,099)
TOTAL LIABILITES AND PARTNERS CAPITAL	$ 515,264	$(611,481

The accompanying notes are an integral part of this financial statement.

452 WEST COMPANY

STATEMENTS OF OPERATIONS

DECEMBER 31, 2003 AND 2002

ASSETS

EXHIBIT "B"

	2003	2002
INCOME		
Rent	$ 553,300	$ 532,780
Laundry	2,506	2,269
Miscellaneous	--	25
Total Income	555,806	535,074
EXPENSES		
Operating Expenses	182,208	159,932
Repairs and Maintenance	55,970	27,440
General and Administrative	38,585	33,072
Mortgage Interest	124,086	126,992
Total Expenses	400,849	347,436
Income Before Depreciation	154,957	187,638
Depreciation	86,524	86,049
Net Profit	68,433	101,589
Partners Capital Deficit – Beginning	(958,099)	(899,688)
Partners Drawing	(130,000)	(160,000)
Partners Capital – DEFICIT	$(1,019,666)	$(958,099)

The accompanying notes are an integral part of this financial statement.

452 WEST COMPANY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2003 AND 2002

EXHIBIT "C"

	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	$ 68,433	$ 101,589
Adjustments to Reconcile Net Income to Cash Provided By Operating Activities:		
Depreciation and Amortization	91,257	90,782
Changes in Assets and Liabilities		
Rents Receivables	(349)	(7,545)
Prepaid Expenses	(318)	(96)
Accounts Payable	881	(889)
Miscellaneous Receivable	34,000	(34,000)
Mortgage Escrow	(5,500)	(6,612)
Tenants Security	--	(1,951)
Cash Flows From Operating Activities	188,404	141,278
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	(4,516)	(6,495)
Tenant Security	94	--
Cash Flows From Investing Activities	(4,422)	(6,495)
CASH FLOWS FROM FINANCING ACTIVITIES		
Mortgage Payable	(36,754)	(33,853)
Partner Distribution	(130,000)	(160,000)
Cash Flows From Financing Activities	(166,754)	(193,853)
Net Increase in Cash and Cash Equivalents	17,228	(59,070)
Cash and Cash Equivalents – Beginning	30,028	89,098
CASH AND CASH EQUIVALENTS – ENDING	$ 47,256	$ 30,028
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash Paid For:		
Interest	$ 124,086	$ 126,992
Real Estate Taxes	$ 141,750	$ 125,127

The accompanying notes are an integral part of this financial statement.

452 WEST COMPANY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

452 West Company was formed April 23, 1985 for the purpose of acquiring land and an apartment building.

Depreciation

The building is being depreciated by the straight-line method over its estimated remaining useful life. Equipment and improvements are depreciated over their useful lives by the modified accelerated cost recovery method.

Income Taxes

The Partnership is not a tax paying entity. Accordingly there is no provision for income taxes in the company's accounts. Each partner is individually responsible for reporting his/her share of the company's ordinary income, loss and other distribute items.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - REAL AND PERSONAL PROPERTY

	2003	2002
Land	$ 200,849	$ 200,849
Building	702,973	702,973
Building Improvements	1,247,830	1,247,830
Equipment	68,260	63,743
	2,219,912	2,215,395
Less: Accumulated Depreciation	1,861,706	1,775,182
Net Real and Personal Property	$ 358,206	$ 440,213

NOTE 3 – MORTGAGE PAYABLE

On April 17, 1996 the company refinanced its mortgage. The new mortgage is payable in monthly installments of $13,404 including interest at $8.25% per annum, and is due on May 1, 2006 when a balloon payment in the amount of $1,381,619 is due. The balance at December 31, 2003 was $1,483,972.

NOTE 4 – MISCELLANEOUS RECEIVABLE

Miscellaneous receivable represents short-term advances to affiliate companies.

452 WEST COMPANY

SUPPLEMENTARY FINANCIAL INFORMATION

DECEMBER 31, 2003 AND 2002

	2003	2002
OPERATING EXPENSES		
Real Estate Taxes	$ 141,750	$ 125,157
Gas and Electric	20,826	17,366
Insurance	17,199	15,078
Water and Sewer	2,433	2,331
Total Operating Expense	$ 182,208	$ 159,932
REAPIRS AND MAINTENANCE		
General Repairs	$ 33,423	$ 13,917
Exterminating	1,240	1,143
Elevator	4,183	3,611
Plumbing	2,403	987
Hardware and Supplies	6,269	4,028
Painting/Decorating	3,159	1,632
HVAC	5,293	2,122
Total Repairs and Maintenance	$ 55,970	$ 27,440
GENERAL AND ADMINISTRATIVE EXPENSES		
Management	$ 24,600	$ 24,300
Professional	2,377	2,435
Telephone	300	300
Sundry	479	858
Amortization	4,733	4,733
Dues and Subscriptions	446	446
Commissions	5,650	–
Total General and Administration Expenses	$ 38,585	$ 33,072

452 WEST COMPANY

FINANCIAL STATEMENTS

DECEMBER 31, 2002

LESSER, LEFF & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

452 WEST COMPANY

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DECEMBER 31, 2002

Report of the Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

To The Partners of
452 West Company

We have audited the accompanying balance sheets of 452 West Company as of December 31, 2002 and 2001 and the related statements of operations, and partners' capital (deficit) and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 452 West Company as of December 2002 and 2001, and the results of its operation and its cash flows for the years then ended in conformity with generally accepted accounting principles accepted in the United States of America.

Lesser Leff & Company LLP

December 3, 2004
New York, New York

452 WEST COMPANY

BALANCE SHEETS

DECEMBER 31, 2002 AND 2001

ASSETS

EXHIBIT "A"

	2002	2001
CURRENT ASSETS		
Cash and Cash Equivalents	$ 30,028	$ 89,098
Rent Receivable	7,545	2,895
Prepaid Expenses	2,991	--
Mortgage Escrow	35,751	29,139
Miscellaneous Receivable	34,000	--
Total Current Assets	110,315	121,132
REAL AND PERSONAL PROPERTY		
Land and Building – Net of Accumulated Depreciation of $1,775,182 in 2002 and $1,689,133 in 2001 (Note 2)	440,213	519,767
OTHER ASSETS		
Deposits	45,573	38,413
Mortgage Costs – Net of Accumulated Amortization of $31,948 for 2002 and $27,215 for 2001	15,380	20,113
Total Other Assets	60,953	58,526
TOTAL ASSETS	$ 611,481	$ 699,425

The accompanying notes are an integral part of this financial statement.

452 WEST COMPANY

BALANCE SHEETS

DECEMBER 31, 2002 AND 2001

LIABILITIES AND PARTNERS CAPITAL

EXHIBIT "A"

	2002	2001
CURRENT LIABILITIES		
Accounts Payable	$ 3,281	$ 4,170
Mortgage Payable – Current Portion (Note 3)	36,754	33,853
Total Current Liabilities	40,035	38,023
LONG TERM LIABILITES		
Mortgage Payable – Less Current Portion (Note 3)	1,483,972	1,520,726
Tenants Security	45,573	40,364
Total Long Term Liabilities	1,529,545	1,561,090
Total Liabilities	1,569,580	1,599,113
PARTNERS CAPITAL	(958,099)	(899,688)
TOTAL LIABILITES AND PARTNERS CAPITAL	$ 611,481	$ 699,425

The accompanying notes are an integral part of this financial statement.

452 WEST COMPANY

STATEMENTS OF INCOME

DECEMBER 31, 2002 AND 2001

EXHIBIT "B"

	2002	2001
INCOME		
Rent	$ 532,780	$ 510,469
Laundry	2,269	2,467
Miscellaneous	25	25
Total Income	535,074	512,961
EXPENSES		
Operating Expenses	159,932	133,267
Repairs and Maintenance	27,440	33,599
General and Administrative	33,072	31,412
Mortgage Interest	126,992	129,663
Total Expenses	347,436	327,941
Income Before Depreciation	187,638	185,020
Depreciation	86,049	83,729
Net Income	101,589	101,291
Partners Capital Deficit – Beginning	(899,688)	(860,979)
Partners Distribution	(160,000)	(140,000)
Partners Capital – ENDING	$(958,099)	$(899,688)

The accompanying notes are an integral part of this financial statement.

452 WEST COMPANY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2002 AND 2001

EXHIBIT "C"

	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	$ 101,589	$ 101,291
Adjustments to Reconcile Net Income to Cash Provided By Operating Activities:		
Depreciation and Amortization	90,782	88,462
Changes in Assets and Liabilities:		
Rents Receivables	(7,545)	--
Prepaid Expenses	(96)	(2,895)
Accounts Payable	(889)	4,170
Miscellaneous Receivable	(34,000)	--
Mortgage Escrow	(6,612)	(10,949)
Tenants Security	(1,951)	1,952
Cash Flows Absorbed By Operating Activities	141,278	182,031
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	(6,495)	--
Cash Flows Absorbed By Investing Activities	(6,495)	--
CASH FLOWS FROM FINANCING ACTIVITIES		
Mortgage Payable	(33,853)	(31,180)
Partner Distribution	(160,000)	140,000
Cash Flows Absorbed By Financing Activities	(193,853)	(171,180)
Net Increase in Cash and Cash Equivalents	(59,070)	10,851
Cash and Cash Equivalents – Beginning	89,098	78,247
CASH AND CASH EQUIVALENTS – ENDING	$ 30,028	$ 89,098
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash Paid For:		
Interest	$ 126,992	$ 129,663
Real Estate Taxes	$ 125,127	$ 95,624

The accompanying notes are an integral part of this financial statement.

452 WEST COMPANY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

452 West Company was formed April 23, 1985 for the purpose of acquiring land and an apartment building.

Depreciation

The building is being depreciated by the straight-line method over its estimated remaining useful life. Equipment and improvements are depreciated over their useful lives by the modified accelerated cost recovery method.

Income Taxes

The Partnership is not a tax paying entity. Accordingly there is no provision for income taxes in the company's accounts. Each partner is individually responsible for reporting his/her share of the company's ordinary income, loss and other distribute items.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - REAL AND PERSONAL PROPERTY

	2002	2001
Land	$ 200,849	$ 200,849
Building	702,973	702,973
Building Improvements	1,247,830	1,247,830
Equipment	63,743	57,248
	2,215,395	2,208,900
Less: Accumulated Depreciation	1,775,182	1,689,133
Net Real and Personal Property	$ 440,213	$ 519,767

NOTE 3 – MISCELLANEOUS RECEIVABLE

Miscellaneous receivable represents short-term advances to affiliate companies.

NOTE 4 - MORTGAGE PAYABLE

On April 17, 1996 the company refinanced its mortgage. The new mortgage is payable in monthly installments of $13,404 including interest at $8.25% per annum, and is due on May 1, 2006 when a balloon payment in the amount of $1,381,619 is due. The balance at December 31, 2002 was $1,520,726.

452 WEST COMPANY

SUPPLEMENTARY FINANCIAL INFORMATION

DECEMBER 31, 2002 AND 2001

	2002	2001
OPERATING EXPENSES		
Real Estate Taxes	$ 125,157	$ 95,624
Gas and Electric	17,366	24,057
Insurance	15,078	10,946
Water and Sewer	2,331	2,640
Total Operating Expense	$ 159,932	$ 133,267
REAPIRS AND MAINTENANCE		
General Repairs	$ 13,917	$ 17,464
Exterminating	1,143	1,143
Elevator	3,611	4,341
Plumbing	987	1,235
Hardware and Supplies	4,028	3,704
Painting/Decorating	1,632	2,050
HVAC	2,122	3,662
Total Repairs and Maintenance	$ 27,440	$ 33,599
GENERAL AND ADMINISTRATIVE EXPENSES		
Management	$ 24,300	$ 22,800
Professional	2,435	1,990
Telephone	300	260
Amortization	4,733	4,733
Sundry	858	949
Dues and Subscriptions	446	680
Total General and Administration Expenses	$ 33,072	$ 31,412

RIGHTS OF EXISTING TENANTS

The following discussion of the rights of tenants in occupancy is based upon the Applicable Laws in effect on the date of presentation of the Plan. Such rights may change if any of the laws summarized herein expire or are modified or repealed during this offering, and Sponsor reserves the right to amend the provisions of this Plan relating to the rights of tenants in order to reflect such change. A copy of each amendment to the Plan reflecting a change in any Applicable Law relating to the rights of tenants will be furnished to all tenants after filing.

THIS PLAN IS A NON-EVICTION PLAN. IT MAY NOT BE AMENDED AT ANY TIME TO PROVIDE THAT IT SHALL BE AN EVICTION PLAN.

All Units offered for sale pursuant to the Plan are subject to Section 352-eeee of the GBL, which is reproduced in full in Part II of the Plan.

Since the Plan is a Non-Eviction Plan, it is not presented subject to the rights of "Eligible Senior Citizens" and "Eligible Disabled Persons" to continued occupancy as afforded by Section 352-eeee of the GBL. Therefore, such rights are not set forth in the Plan.

Exclusive right to purchase

Each Eligible Tenant who occupies a Unit in the Building on the date the Plan is accepted for filing, will, during the Exclusive Purchase Period (i.e., the first ninety (90) days from the Presentation date of the Plan) have the exclusive right to purchase his Unit at the Purchase Price for such Unit set forth in Schedule A. Any bona fide tenant with the right to renew a lease, or having the right to continued occupancy, on the date the Plan is accepted for filing shall have the right to purchase as a tenant during the Exclusive Purchase Period. During this period, a tenant's Unit will not be shown to third parties unless such Eligible Tenant has, in writing, waived his right to purchase; nor will a Purchase Agreement be executed for such Unit by an outside Purchaser. After the expiration of the Exclusive Purchase Period, Eligible Tenants will no longer have the exclusive right to purchase their Units, which may then be purchased by others. Such

unpurchased Units may be shown to others consistent with such Eligible Tenant's rights under their Existing Leases.

A Purchase Agreement from a tenant in occupancy for his or her own Unit executed during the Exclusive Purchase Period shall have priority over and pre-empt any purchase agreement from a non-tenant with regard to such Unit.

Sponsor will not permit assignment or transfer of purchase agreements by tenants in occupancy prior to declaring the Plan effective. See "Assignment of Purchase Agreements", below.

Rentals and the right to remain in occupancy

Pursuant to Section 352-eeee of the GBL, no eviction proceedings will be commenced at any time against Non-Purchasing Tenants for failure to purchase or for 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 Unit Owner or a similar breach by the Non-Purchasing Tenant of his obligations to the Owner of the Unit. Further, a Unit Owner may not commence an action to recover possession of a Unit from a Non-Purchasing Tenant on the grounds that he seeks the Unit for the use and occupancy of himself or his family.

Non-Purchasing Tenants who reside in Units subject to governmental regulation as to rentals and continued occupancy (that is, the RSL and the Code or the Rent Control Laws) prior to the conversion of the Property to condominium ownership shall continue to be subject thereto, for so long as such laws shall remain in effect with regard to the Property (subject to the right of the Unit Owner of any such Unit to commence eviction proceedings based solely on one of the grounds enumerated in the immediately preceding paragraph).

The rentals of Non-Purchasing Tenants who reside in Units not subject to governmental regulation as to rentals and continued occupancy, and Non-Purchasing Tenants who reside in 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. In

determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses. Complaints concerning such increases may be referred to the New York State Department of Law, Real Estate Financing Bureau, 120 Broadway, 23rd Floor, New York, New York 10271.

A Non-Purchasing Tenant, pursuant to Applicable Law, may be subject to rent increases as a result of any major capital improvements made by Sponsor, the Condominium Board or the Unit Owner of his Unit, upon application to and approval by the DHCR.

The rights discussed herein above are based on the laws in effect on the date of presentation of the Plan. Sponsor makes no representation that these laws will remain in effect or unchanged. Notwithstanding the foregoing, the rights granted to Non-Purchasing Tenants under the Plan may not be abrogated or reduced notwithstanding any expiration of, or amendment to, Section 352-eeee of the GBL.

Additional rights

Section 352-eeee of the GBL further provides that all Units occupied by Non-Purchasing Tenants will be managed by the same managing agent that manages all other Units in the Building. Non-Purchasing Tenants will be provided all services and facilities required by Applicable Law on a non-discriminatory basis. Sponsor guarantees that all such services and facilities will be provided until such time as Sponsor no longer controls the Condominium Board.

Section 352-eeee of the GBL also provides that 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 that substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his Unit or the facilities related thereto. The Department of Law may apply to a court of competent jurisdiction for an order restraining such conduct and, if it deems it appropriate, an order restraining the owner from selling the Unit or from proceeding with the Plan, provided that nothing contained in the statute shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

Tenants or their representatives may physically inspect the Property 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 or the Selling Agent, provided tenants' representatives are registered architects or professional engineers licensed to practice in the State of New York.

If, prior to the expiration of any exclusive period that begins before the First Unit Closing, Sponsor amends the terms and conditions of the offering to be more favorable to tenant Purchasers, a tenant who was in occupancy on the Presentation Date and who executed and submitted a Purchase Agreement before Sponsor amended the term shall benefit from the more favorable terms and conditions.

The By-Laws of the Condominium provide that a Non-Purchasing Tenant will be promptly notified by the seller of his Unit of a change in ownership arising from a transfer of such Unit. The Condominium shall retain such information, and make it available to any such Non-Purchasing Tenant, upon written request therefor.

Section 352-eeee of the GBL sets forth a posting requirement as to the percentage of tenants who have purchased units. Such requirement is further discussed in the Section of the Plan entitled **"Effective Date."**

Rights of eligible tenants to purchase vacant and occupied Units

No Eligible Tenant will have any exclusive or preferential right to purchase a vacant Unit or a Unit occupied by another person. Any exclusive right granted to Eligible Tenants hereunder shall apply only to the purchase by an Eligible Tenant of his own Residential Unit. An Eligible Tenant may, however, if he wishes, execute and submit a Purchase Agreement for a vacant Unit or a Unit occupied by another on the same footing as prospective non-tenant Purchasers. If more than one Eligible Tenant seeks the same Unit at the same Purchase Price and on the same terms, it shall be within Sponsor's sole and absolute discretion to decide which, if any, Purchase Agreement to accept. Sponsor is under no obligation to accept Purchase Agreements from Eligible Tenants for vacant Units or Units occupied by others.

The tenant of Unit 5B has exclusive access to, and exclusive rights to use, a delineated area of the Building's roof. However, other portions of the Building's roof shall be available for use by all Unit Owners of the Condominium, subject to Applicable Law.

OBLIGATIONS OF OWNERS OF UNITS OCCUPIED BY NON-PURCHASING TENANTS

Except for the Units indicated on Schedule A as being not subject to rent regulation, all of the Units occupied by Eligible Tenants are either "rent-stabilized" Units subject to the RSL and the Code or "rent-controlled" Units subject to the Rent Control Laws, as set forth on Schedule A. A Purchaser of a rent-stabilized Unit that is occupied by a Non-Purchasing Tenant is required under the RSL and the Code to register the Unit with the DHCR and to keep such registration current. In the event that a Unit is vacated by its original non-purchasing tenant, that Unit may still remain subject to the Applicable Rent Laws, subject, however, to any rights of the Unit Owner of such Unit pursuant to Luxury Decontrol Laws.

All Eligible Tenants are subject to section 352-eeee of the GBL, which provides, among other things, that a 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 Unit Owner or a similar breach by the Non-Purchasing Tenant of his obligations to the Unit Owner or any other grounds permitted by Applicable Law or regulation. In addition, no eviction proceedings may be commenced by the Unit Owner against such Non-Purchasing Tenant on the grounds that the Unit Owner seeks the apartment for the use and occupancy of himself or his family.

Possession of occupied Units

Each Purchaser of a Unit occupied by another will purchase subject to: (a) the existing lease or occupancy agreement for such Unit; (b) any existing tenancy or occupancy of such Unit; (c) any right of the existing tenant or occupant to remain in possession of such Unit pursuant to Section 352-eeee of the GBL; (d) Applicable Rent Laws; and (e) all other

rights of such tenant or occupant under any other applicable Federal, New York State or New York City laws, rules, regulations or ordinances governing residential rent and occupancy terms.

NO REPRESENTATION OR WARRANTY IS MADE THAT THE EXISTING LAWS WILL REMAIN IN EFFECT OR UNCHANGED OR THAT THE RIGHTS OF NON-PURCHASING TENANTS WITH REGARD TO RENTALS AND OCCUPANCY RIGHTS UNDER THE APPLICABLE RENT LAWS WILL NOT CHANGE. The rights granted under the Plan to Purchasers and to Non-Purchasing Tenants may not be abrogated or reduced, however, notwithstanding any expiration of, or amendment to, Section 352-eeee of the GBL.

If the tenancy of a tenant is terminated as a result of an uncured default by such tenant in paying the requisite rent or in performing some other lease obligation, then, unless the tenant voluntarily surrenders possession of the Unit, the owner of such Unit may be required (at his own expense) to institute a summary dispossess or holdover proceeding in court in order to gain possession.

No representation or warranty is made as to the length of time that may elapse before a final court order of eviction is granted and made effective, that such a court order will be granted or that possession of a Unit occupied by another will be obtained.

Sponsor and the Selling Agent make no statements of any kind as to the Applicable Rent Laws except as expressly set forth in the Plan.

Rights and duties of non-occupant Purchasers

Upon acquiring title to a Unit occupied by another, the Purchaser will become the landlord of the tenant or occupant thereof and the latter will become such Purchaser's tenant or occupant. The relationship between the two parties will be governed primarily by the terms, covenants and conditions contained in the lease or other occupancy agreement then in effect with such tenant or occupant or the statutory and implied covenants, if any, of any month-to-month tenancy. Such Purchaser will be obligated to offer such renewal leases and riders as may be required by Applicable Law. Such Purchaser

will succeed to, among other things, Sponsor's right to receive the rents reserved in the lease or occupancy agreement or month-to-month tenancy and Sponsor's obligation to perform all of the duties of the landlord under such lease or occupancy agreement or month-to-month tenancy, which duties may include, but may not be limited to, the obligation to maintain, repair and replace any plumbing fixtures, refrigerator, dishwasher, lighting fixtures and other fixtures, equipment and appliances in such Unit and to paint the Unit periodically. The Purchaser will be obligated to perform these duties as the landlord of such tenant or occupant even though the rents reserved under the lease or occupying agreement or month-to-month tenancy may be insufficient to pay for the cost of such performance. In addition, such Purchaser will be required to pay all Common Charges assessed against him by the Condominium Board and the real estate taxes assessed against the Unit, regardless of whether such Common Charges and real estate taxes are more or less than the rent payable by the tenant or occupant and regardless of whether such rent is received.

All costs and expenses incurred in connection with the ownership of a Unit occupied by another (including, without limitation, legal fees and litigation expenses for enforcing the lease, occupancy agreement or provisions of any month-to-month tenancy and obtaining possession of the Unit) will be borne entirely by the owner of the Unit.

A Person interested in purchasing a Unit occupied by another is advised to examine any lease or occupancy agreement for such Unit to ascertain the rental, the expiration date and the obligations imposed upon the landlord. These leases or occupancy agreements are on file at the office of Sponsor. It is further recommended that such Person consult with his attorney in order to become fully apprised of the effect of the lease or occupancy agreement, as well as of Section 352-eeee of the GBL and all other Applicable Laws with respect to such Unit, on his rights as a Purchaser and on his obligations to any existing tenant or occupant of such Unit.

As previously set forth, Section 352-eeee of the GBL requires that all Units occupied by Non-Purchasing Tenants be managed by the same managing agent who manages all the other Units in the Building. A Purchaser who purchases a Unit occupied by a Non-Purchasing Tenant shall be required to appoint irrevocably the Condominium's Managing Agent and its successors

(or the Condominium Board if no Managing Agent is employed by the Condominium) as his agent to provide to the Non-Purchasing Tenant all services and facilities required by Law on a non-discriminatory basis. The Managing Agent has agreed to undertake that obligation, as specified herein. Sponsor will guarantee the obligation of the Managing Agent to provide all services and facilities which the Managing Agent is required to provide to Non-Purchasing Tenants until such time as Sponsor no longer controls the Condominium Board. While the Purchaser of any Unit occupied by a Non-Purchasing Tenant will be responsible for the due performance of all of the obligations of the landlord under the Non-Purchasing Tenant's lease, occupancy agreement or month-to-month tenancy, the actual performance of such obligations will, in the first instance, be by or at the direction of the Managing Agent for the account of the Purchaser.

Each Purchase Agreement for a Unit occupied by a Non-Purchasing Tenant will be deemed to include an agreement by the Purchaser to deposit with the Managing Agent (or the Condominium Board if no Managing Agent is employed by the Condominium) at Closing an amount equal to not less than the greater of two months' Common Charges or two months' rent payable by such Non-Purchasing Tenant, to be used as working capital to furnish services required under the Non-Purchasing Tenant's lease and pursuant to Applicable Law. Upon notice by the Managing Agent (or Condominium Board) that the deposit has been diminished, the fund will be replenished by the Unit Owner within thirty (30) days of such notice. The failure of the Unit Owner to replenish the fund in a timely fashion will result in the Condominium having a lien against the Unit. Interest, if any, earned on the fund shall be the property of the Unit Owner. The provisions of this paragraph will not apply to Sponsor or any Sponsor Successor.

Upon the closing of title to a Unit subject to a lease, other occupancy agreement or month-to-month tenancy, Sponsor will deliver to the non-occupant Purchaser the unapplied balance of any security deposit held by Sponsor pursuant to the terms of such lease, occupancy agreement or month-to-month tenancy. Any such balance must be held by such Purchaser in trust in an interest-bearing account in accordance with the terms of the New York General Obligations Law. Upon delivery of the unapplied security deposit, the Purchaser will be required to execute, acknowledge and deliver an agreement to Sponsor,

both acknowledging the amount so received and indemnifying Sponsor against all claims and liabilities in connection therewith.

Purchasers of Units subject to a lease should note that recent Court decisions have defined "Non-Purchasing Tenant" differently. Paikoff v. Harris, 185 M.2d 372, 713 N.Y.S.2d 109 (App. Term 2d Dept. 1999) defined the term to include tenants who commence rental occupancy of an apartment after a conversion offering plan is accepted for filing by the Department of Law. However, Park West Village Associates v. Nishoika, 187 M.2d 243, 721 N.Y.S.2d 459 (App. Term 1st Dept. 2000) defined the term to apply only to tenants who became rental tenants prior to the date that a conversion offering plan is accepted for filing by the Department of Law. It is the position of the Sponsor that, absent a ruling by a higher appellate court that reconciles the different holdings, the holding in Park West Village Associates v. Nishoika would govern tenants at the Property, since the Building is located within the County of New York, which is the jurisdictional territory governed by the Appellate Term, First Department, the Court that issued the ruling in that case.

INTERIM LEASES

Sponsor reserves the right to rent or lease vacant Units (including any Units which become vacant after the date of presentation of this Plan) to Purchasers and non-Purchasers at any time, both before and after the First Unit Closing. Once a Purchase Agreement is accepted for a vacant Unit, however, and for so long as such Purchase Agreement is in effect, such Unit may only be leased to the Purchaser thereof pursuant to an **"Interim Lease"** on the terms set forth in this Section.

An Interim Lease shall be prepared on a form of lease that will be available for inspection at the office of Sponsor or the Selling Agent and shall contain the default provisions (including failure of the tenant to comply with its obligations under his Purchase Agreement) described below. The term of each such Interim Lease shall expire on the earliest to occur of: (i) the date of closing of title to the Unit covered by such Interim Lease; (ii) the date fixed in the Interim Lease for the expiration of the term; (iii) the date upon which the Interim Lease is terminated at the option of Sponsor by reason of a default by the Purchaser-tenant under the Interim Lease or a casualty or condemnation affecting the Unit; or (iv) the date

upon which the Interim Lease is terminated by the Purchaser-tenant or Sponsor as provided below. The rent payable under the Interim Lease shall be negotiated by the parties but shall in no event exceed the maximum legal rent, if any, permitted under Applicable Laws.

An uncured default by the Purchaser-tenant under the Purchase Agreement will constitute a default under the Interim Lease. A default in the performance or observance of the terms and conditions of the Interim Lease will also be a default under the terms of the Purchase Agreement and will permit Sponsor to cancel the Purchase Agreement in accordance with its terms. The Purchaser-tenant will be required to vacate his Unit within thirty (30) days after notice is sent of Sponsor's intent to cancel the Purchase Agreement, provided that the Purchaser-tenant fails to cure any such default within the applicable grace period, if any, with TIME BEING OF THE ESSENCE. Before a default under the Interim Lease may be declared a default under the Purchase Agreement, however, either: (i) Sponsor must obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser-tenant; or (ii) the Purchaser-tenant must have vacated the Unit.

In the event that the Purchaser-tenant should exercise any right to terminate or rescind the Purchase Agreement or Interim Lease, such termination or rescission will be contingent upon his surrendering possession of his Unit and leaving the same vacant, in good condition and broom clean within thirty (30) days after he elects to terminate or rescind. He must also pay any rent then due and payable under his Interim Lease. Nothing contained herein shall relieve any Purchaser of liability for damage to his Unit or of any other liability under the Purchase Agreement or Interim Lease.

In no event will any portion of the rental paid under an Interim Lease be credited towards the Unit's Purchase Price.

The right of Sponsor, or any Sponsor Successor, to rent or lease any Unsold Unit will not be subject to any right of first refusal in favor of the Condominium Board to lease such Unsold Unit from Sponsor or such Sponsor Successor on the same terms offered to the prospective tenant or occupant.

In the event the Plan is abandoned, a Unit occupied pursuant to an Interim Lease shall be subject to the provisions

of any Applicable Laws that may be in effect with respect to such Unit at the time of such abandonment. Additionally, a Purchaser-tenant under an Interim Lease may, if the Plan is abandoned, cancel such lease and vacate the premises upon ninety (90) days' written notice to Sponsor, or Sponsor Successor if applicable, sent to the address set forth on the cover page of this Plan.

PROCEDURE TO PURCHASE

General

A Person desiring to purchase a Unit will be required to execute, in triplicate, a Purchase Agreement in the form set forth in Part II of this Plan. The Purchase Agreement contains the terms and conditions upon which the Unit will be sold and, before being executed, should be read carefully by the prospective Purchaser and his legal or financial representative.

Purchasers who are Eligible Tenants shall have at least three (3) business days in which to review the Plan and all filed amendments prior to executing a Purchase Agreement, unless fewer than three (3) business days remain in the statutory time period to declare the Plan effective.

Unless a Purchaser who is not an Eligible Tenant has been afforded at least three (3) business days in which to review the Plan and all filed amendments prior to executing a Purchase Agreement, such Purchaser shall have seven (7) days after delivering an executed Purchase Agreement together with the required Down Payment to rescind the Purchase Agreement and have the full Down Payment refunded promptly. Such Purchaser must either personally deliver a written notice of rescission to Sponsor or the Selling Agent within the seven (7) day period or mail the notice of rescission to Sponsor or the Selling Agent and have the mailing post-marked within the seven (7) day period.

New Federal regulations on lead-based paint

The United States Department of Housing and Urban Development and the Environmental Protection Agency have recently adopted **"Lead-Based Paint Regulations"** applicable to

most housing built prior to 1978 (called **"Target Housing"**). Generally, the Regulations concern disclosure of known presence of lead-based paint and lead-based paint hazards in Target Housing. The disclosures are required to be made in contracts of sale or lease (including lease renewals and subleases) of Target Housing. The Regulations apply to all owners of co-operative and condominium units in Target Housing, including Unit Owners of the Building.

In order to comply with the Lead-Based Paint Regulations:

(1) Each prospective Purchaser will be given a copy of United States Consumer Product Safety Commission pamphlet entitled **"Protect Your Family From Lead in the Home"**;

(2) Each prospective Purchaser will be given a 10-day opportunity to conduct a risk assessment or inspection (collectively, **"inspection")** for the presence of lead-based paint and/or lead-based paint hazards;

(3) Each prospective Purchaser will receive and must sign and return to Sponsor, before entering into a Purchase Agreement, a notice of such 10-day opportunity on a form entitled **"Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards,"** a copy of which is included in Part II of the Plan (the **"Lead-Based Paint Disclosure Form").** The text of the Lead-Based Paint Disclosure Form is the sample disclosure form contained in the Lead-Based Paint Regulations;

In the event a prospective Purchaser elects to conduct such an inspection, the prospective Purchaser shall be required to sign and deliver to Sponsor a **"Pre-Contract Signing Inspection Agreement,"** in the form included in Part II of the Plan. The Pre-Contract Signing Inspection Agreement sets forth (among other things) the terms, requirements and conditions applicable to the inspection. Please refer also to the Sections of the Plan entitled **"Rights and Obligations of Unit Owners"** and **"Sponsor's Description of Building Condition."**

Delivery of purchase agreement

A prospective Purchaser desiring to purchase a Unit should deliver three (3) copies of the executed Purchase Agreement, together with three copies of the completed and executed Lead-Based Paint Disclosure Form and his unendorsed personal check, drawn on a New York City Clearing House Association member bank, in a sum equal to ten percent (10%) of the purchase price (the **"Down Payment"**), to the Selling Agent, Croman Real Estate, at 611 Broadway, New York, New York 10012. Said check is to be made payable to the order of **"Belkin Burden, as Escrow Agent for 452 West Company/[Name of Purchaser]"**.

Acceptance of Purchase Agreement

If the prospective Purchaser is an Eligible Tenant, a Purchase Agreement for the Unit he occupies will be accepted by Sponsor on condition that: (i) the prospective Purchaser signs and returns to the Selling Agent during the Exclusive Purchase Period three (3) copies of the Purchase Agreement, together with the requisite Down Payment and Lead-Based Paint Disclosure Form, (ii) the Purchase Price is in accordance with the price for the Unit set forth in the Plan; and (iii) the prospective Purchaser has the exclusive right to purchase the Unit under the Plan. As set forth in the Section of the Plan entitled **"Rights of Existing Tenants,"** no Eligible Tenant will have any exclusive or preferential right to purchase any vacant Unit or any Unit occupied by another.

If the prospective Purchaser is not an Eligible Tenant or the conditions set forth in the immediately preceding paragraph have not been met, then within twenty (20) days after delivery to the Selling Agent by the prospective Purchaser of three (3) copies of the Purchase Agreement, together with the requisite Down Payment and Lead-Based Paint Disclosure Form, Sponsor shall either accept the Purchase Agreement by returning a fully executed counterpart thereof to the prospective Purchaser or reject the Purchase Agreement and refund the full Down Payment previously tendered. If Sponsor takes no action to accept or reject the Purchase Agreement within said twenty (20) day period, the Purchase Agreement shall be deemed cancelled and the prospective Purchaser shall be entitled to receive immediately a full refund of the Down Payment. Upon such refund being made, neither party will have any further rights, obligations or liabilities hereunder with respect to the other

or any other party connected with the Plan. Sponsor has the right, without incurring any liability, to reject any Purchase Agreement (except with respect to Purchase Agreements tendered by Eligible Tenants within the Exclusive Purchase Period in accordance with the requirements set forth above) without cause or explanation, so long as such rejection is not based upon race, creed, color, national origin, ancestry, sex or other ground prohibited by Applicable Law.

Notwithstanding anything to the contrary contained in this Section, Sponsor shall have no obligation to accept a Purchase Agreement for any Unit unless at the time such Purchase Agreement is submitted to Sponsor, the Purchaser thereunder also delivers to Sponsor the Lead-Based Paint Disclosure Form fully completed and signed by the prospective Purchaser in triplicate.

Trust funds

Sponsor shall comply with the escrow and trust fund requirements of Sections 352-e(2-b) and 352-h of the GBL and the Attorney General's Regulations promulgated pursuant thereto, and all funds paid by Purchasers shall be handled in accordance with such statutes and Regulations. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the handling or disposition of Down Payments paid by such Purchasers. Nothing in the preceding sentence, however, shall limit the obligation of any Purchaser to pay the fees and expenses of Sponsor's attorneys (to the extent such fees and expenses are expressly disclosed in the Plan) in connection with the purchase or closing of title to the Unit purchased by such Purchaser under the Plan.

A Down Payment will be deemed to have been unconditionally tendered when it is delivered to Sponsor or the Selling Agent together with a Purchase Agreement in the form agreed to by Sponsor and signed by the Purchaser, without any request for a change in such form or the terms of the Purchase Agreement. Each Down Payment will be placed, within five (5) business days after the date on which such Down Payment has been unconditionally tendered, in a special escrow account of Belkin Burden Wenig & Goldman, LLP (the **"Escrow Agent")**, whose address is 270 Madison Avenue, New York, New York 10016, and whose telephone number is (212) 867-4466. The signatories on this escrow account, who are each members of the Escrow Agent, and any one of whom is authorized to withdraw funds, are: Daniel

Altman, Edward Baer, Sherwin Belkin, Joseph Burden, Jeffrey Goldman, Martin Heistein, Craig Ingber, Robert Jacobs, Lewis Lindenberg, Aaron Shmulewitz, David Skaller and Howard Wenig. The name of the escrow account is **"Belkin Burden Wenig & Goldman, LLP, as Escrow Agent for 452 West Company/[Name of Purchaser]"** (the **"Escrow Account"**), and such Escrow Account is located at Hudson Valley Bank, 60 East 42nd Street, New York, New York 10165 (the **"Bank"**). The Bank is covered by federal bank deposit insurance generally to a maximum of $100,000 in the aggregate with respect to all funds deposited by any person in one or more deposit accounts (including, without limitation, amounts deposited directly by such person and the Down Payment held in escrow for such person by the Escrow Agent).

If a Purchaser makes a Down Payment in excess of $100,000 for the purchase of a Unit, or if the amount of such Purchaser's deposits at the Bank and such Down Payment exceed $100,000, the aggregate of such Down Payment and all other such deposits will generally not be federally insured in excess of $100,000. No representation or guaranty is made by the Escrow Agent or Sponsor that the Federal Deposit Insurance Corporation will insure any depositor's funds, if and when called upon to do so.

The Escrow Account will be interest bearing, and any interest earned on the Down Payment shall be delivered to Purchaser at the closing of title to his Unit or other termination of the Purchase Agreement, unless the Purchaser has defaulted thereunder beyond any applicable grace periods, in which event Sponsor shall be entitled to retain the Liquidated Sum. The interest rate to be earned on the Down Payment will be the rate paid from time to time by the Bank for the same type of account as the Escrow Account, which was less than one-half of one percent (0.5%) per annum as of September 1, 2005. Interest will begin to accrue when the check for a Down Payment is collected, and provided there is no charge back or debit by the Bank against the amount deposited. Each Purchaser must indicate his or her social security or federal taxpayer identification number on the Purchase Agreement. If there is more than one Purchaser, the social security or federal taxpayer identification number of each Purchaser who will be receiving any interest earned on a Down Payment must be noted on the Purchase Agreement. A Purchaser's failure to provide this information with the Purchase Agreement will be deemed a waiver

of such Purchaser's right to receive interest on such Down Payment.

All checks for Down Payments under the Plan shall be made payable to the order of **"Belkin Burden, as Escrow Agent for 452 West Company/[Name of Purchaser]"**. Within ten (10) business days after unconditional tender and delivery by a Purchaser to Sponsor or the Selling Agent of a check for a Down Payment submitted with such Purchaser's Purchase Agreement on account of the Purchase Price thereunder, the Escrow Agent will notify the Purchaser that such funds have been deposited into the Escrow Account and will provide the account number and the initial interest rate. Subject to the provisions of the next sentence, if such Purchaser does not receive notice of such deposit within fifteen (15) business days after unconditional tender and delivery to Sponsor or the Selling Agent of such Down Payment, then such Purchaser may cancel such purchase and rescind such Purchaser's Purchase Agreement, so long as such right to rescind is exercised within ninety (90) days after such Purchaser's unconditional tender and delivery of such Down Payment to Sponsor or the Selling Agent. A Purchaser shall not, however, be entitled either to rescind such Purchaser's Purchase Agreement or to receive a refund of such Purchaser's Down Payment where proof satisfactory to the Attorney General is submitted establishing that such Down Payment was timely deposited and notice as provided above was timely mailed to such Purchaser in conformity with the Attorney General's Regulations. Additionally, Purchaser understands that receipt of the Down Payment by the Escrow Agent and deposit of the Down Payment in the Escrow Account by the Escrow Agent will not be deemed acceptance of this Agreement by Sponsor, which acceptance can only occur as provided in the Section of the Plan entitled **"Procedure to Purchase."**

The Escrow Agent will hold a Purchaser's Down Payment in escrow until: (a) otherwise directed in one or more writings signed by each of Sponsor and such Purchaser; (b) otherwise directed in a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's Regulations; (c) a judgment or order of a court of competent jurisdiction permits or requires the release of such Down Payment; (d) such Down Payment is paid by the Escrow Agent into a court of competent jurisdiction; (e) such Down Payment is paid to Sponsor as provided below; or (f) such Down Payment is paid to such Purchaser as provided below.

If there is no written agreement between Sponsor and a Purchaser to release the Down Payment paid by such Purchaser, the Escrow Agent will not pay such Down Payment to Sponsor until after ten (10) business days following the date that the Escrow Agent has given such Purchaser written notice that the Escrow Agent intends to pay such Down Payment to Sponsor. Thereafter, such Down Payment may be paid to Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's Regulations, and the Escrow Agent has received, within such ten (10) business-day period, notice from such Purchaser that such application has been made.

Sponsor will not object to the release of the Down Payment paid by any Purchaser to such Purchaser, provided such Purchaser has not defaulted and has timely and validly rescinded such Purchaser's Purchase Agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan. In addition, Sponsor will not object to the release of the Down Payments paid by all Purchasers after an amendment abandoning the Plan has been accepted for filing by the Department of Law.

A Purchaser or the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the Down Payment paid by any Purchaser. Sponsor must avail itself of this procedure if there is a dispute which needs to be resolved between Sponsor and a Purchaser of a Unit under the Plan relating to such Purchaser's Down Payment and, in the case of any Purchaser, such Purchaser has given notice of objection to the Escrow Agent within the ten (10) business day period described above. A form for this purpose is attached as an exhibit to the Purchase Agreement in Part II of the Plan. The party applying for a determination must send all other parties a copy of the application.

In the event of a dispute, Sponsor shall apply, and the Purchaser or the Escrow Agent may apply to the Department of Law for a determination on the disposition of the Down Payment and any interest earned thereon. Applicable forms for this purpose will be available from the Department of Law. The party making such application shall contemporaneously send to all other parties a copy of such application.

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

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

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

If the application seeking release of funds is denied, the Escrow Agent shall continue to hold the Down Payment and any interest earned thereon until:

(1) both Sponsor and Purchaser direct payment to a specified party in accordance with a written direction signed by both Sponsor and Purchaser, or

(2) a judgment or order of a Court of competent jurisdiction is served on the Escrow Agent, or

(3) the Escrow Agent deposits the disputed amount into Court.

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

Included in Part II of the Plan is a copy of the escrow agreement between Sponsor and Escrow Agent (the **"Escrow Agreement")** which is subject to the terms of the Attorney General's Regulations. In the event of any conflict between the Escrow Agreement and either any other provision of the Plan or any Purchase Agreement, the terms of the Escrow Agreement shall control.

The Escrow Agent will maintain all records concerning the Escrow Account for seven (7) years after the closing of such account.

The Escrow Agent may from time to time, upon notice to Sponsor and all Purchasers, change the depositary in which the Down Payments are held to another lending institution in New York City without the necessity of amending the Plan.

After this Plan is declared effective, Sponsor will give each Purchaser not less than thirty (30) days' prior written notice of the date, time and place (within the City of New York) for the transfer of title to his Unit. At the closing of title, such Purchaser shall pay the balance of the Purchase Price by his unendorsed, certified personal check or by official cashier's check, in either event drawn on a New York City Clearing House Association member bank. Sponsor shall make a written demand for payment after a default at least thirty (30) days before forfeiture of the Down Payment shall be declared.

Under no circumstances shall Sponsor apply for release of an escrowed Down Payment of a defaulting Purchaser until after consummation of the Plan. However, consummation of the Plan will not relieve Sponsor of its obligations pursuant to GBL section 352-h.

At the Closing of a purchase, a Purchaser shall be obligated to execute a Unit Owner power of attorney in favor of the Condominium's Board of Managers, in the form set forth in Part II of this Plan. Should the Purchaser fail to execute such Unit Owner power of attorney at such Closing, the Closing will not be able to occur, and the Purchaser shall be in default under his/her Purchase Agreement.

Any conflict between the Plan and the Purchase Agreement will be resolved pursuant to the Plan.

Neither the Plan nor the Purchase Agreement may contain, or be modified to contain, a provision waiving Purchaser's rights or abrogating Sponsor's obligations under the GBL. The Purchase Agreement to be used by tenant purchasers who purchase during any Exclusive Purchase Period may not be modified except by a duly filed amendment to the Plan.

Any provision of the Purchase Agreement or any other agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent is absolutely void. The provisions of the applicable sections of the regulations adopted by the Department of Law shall prevail over any conflicting or inconsistent provision in the Plan or in the Purchase Agreement.

Nothing herein contained shall diminish or impair Sponsor's statutory obligation to each Purchaser pursuant to GBL Section 352-h to hold in trust all Down Payments, advances or payments made in connection with the offer until consummation of the transaction with such Purchaser. Consummation of the Plan does not relieve sponsor of its obligations pursuant to GBL section 352-h. The Down Payment, and any interest accrued thereon, remain the property of Purchaser until consummation of the transaction. Such funds shall not be part of the estate of Sponsor or the Escrow Agent upon any bankruptcy, incapacity or death.

ASSIGNMENT OF PURCHASE AGREEMENTS

Sponsor will not permit the assignment or transfer of Purchase Agreements prior to the declaration of effectiveness.

EFFECTIVE DATE

Sponsor's offer to sell the Units is contingent upon the Plan being declared effective and upon compliance with the relevant conditions and time periods described in the Plan. The following provisions will determine whether, when and how the Plan will be declared effective:

1. The Plan may be declared effective by (i) an amendment to the Plan, or (ii) serving notice on each tenant and non-tenant Purchaser that the Plan is declared effective and submitting an amendment to the Department of Law within five (5) days confirming that the Plan was declared effective on a specified date. The First Unit Closing shall not occur until the amendment declaring the Plan effective is accepted for filing by the Department of Law.

2. If the Plan is not declared effective within fifteen (15) months from the date of issuance of the letter of the Attorney General stating that the Plan has been accepted for filing, the Plan shall be deemed abandoned, void and of no effect. In the event of such abandonment, no new plan for the conversion of the Building will be submitted to the Attorney General for at least twelve (12) months after such abandonment.

3. The Plan may not be declared effective until written Purchase Agreements have been executed and delivered for at least fifteen percent (15%) of all Units by Eligible Tenants or bona fide Purchasers who represent that they intend that they or a specified member of their immediate family occupy the Unit when it becomes vacant. As to Eligible Tenants, the Purchase Agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

The Plan will not be declared effective based on Purchase Agreements:

1. signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or

2. that have been assigned or transferred (which assignment or transfer may occur only with Sponsor's express written consent), unless (i) the tenant in occupancy has signed the Purchase Agreement and paid the full Down Payment to Sponsor, and (ii) the assignee shall provide a notarized affidavit stating that the assignee was not procured by Sponsor, the Selling Agent, or the Managing Agent, and that the assignee intends that he or a specified member of his immediate family personally occupy the dwelling unit; or

3. if the Purchaser was not afforded the seven (7) day period to rescind the Purchase Agreement or the three (3) day period to review the Plan and all filed amendments in accordance with the provisions set forth in the Section of the Plan entitled **"Procedure to Purchase"**; or

4. with any Purchaser who is Sponsor, the Selling Agent or the Managing Agent, or who is a principal of Sponsor,

the Selling Agent or the Managing Agent, or is related to Sponsor, the Selling Agent or the Managing Agent or to any principal of Sponsor, the Selling Agent or the Managing Agent by blood, marriage or adoption, or as a business associate, an employee, a shareholder, a member or a limited partner, except that such a Purchaser other than Sponsor or a principal of Sponsor may be included to the extent permissible under the applicable Regulations promulgated by the Department of Law.

5. When Purchase Agreements have been executed and accepted for the sale to Purchasers of at least eighty percent (80%) of the Units offered under the Plan, Sponsor must declare the Plan effective.

6. Sponsor shall, on the 30th, 60th, 88th and 90th day after the date of presentation of this Plan, and at least once every thirty (30) days thereafter until the Plan is declared effective or abandoned, as the case may be, and on the tenth and second day before the expiration of any exclusive purchase period provided in a substantial amendment to the Plan: (a) file with the Attorney General a written statement, under oath, setting forth the percentage, as of the date of such statement, of bona fide tenants in occupancy, on the date the Plan was accepted for filing by the Attorney General, of all dwelling units in the Building who have executed and delivered Purchase Agreements under the Plan; and (b) before noon on the date such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. Such statement shall be filed with the Department of Law together with a list of Purchasers, the date each Purchase Agreement was signed and any required down payment tendered. The contents required to be included therein are set forth in the Section of this Plan entitled **"Rights of Existing Tenants."**

7. Sponsor may, at its option, declare the Plan abandoned for any reason whatsoever, provided the Plan neither has been declared effective nor is required to be declared effective as set forth in paragraph (4) above. After the Plan is declared effective or so required to be declared effective, but before the First Unit Closing, the Plan may not be abandoned except in the event of: (a) the existence of one or more defects in title or violations that cannot

reasonably be cured without litigation or cannot be cured for less than $227,000 in the aggregate (as reasonably estimated by Sponsor); or (b) any substantial damage to or destruction of the Building by fire or other casualty; or (c) the taking of any material portion of the Property by condemnation or eminent domain. The aforementioned $227,000 relied upon as a basis for abandonment after this Plan is declared effective does not include any attorneys' fees or any title defect, violation or determination of any authority or regulatory association that exists on the date of presentation of this Plan and either is known to Sponsor or is a matter of public record. Sponsor will not, however, be obligated to cure any defect in title (including, without limitation, liens and violations of record) that are to be cured by, or that result from the acts and omissions of, any tenants of the Building.

Each Purchaser in good standing who refuses to waive any of the aforesaid title defects shall have the right for fifteen (15) days after being notified thereof to rescind his Purchase Agreement and receive all monies deposited thereunder with any interest earned thereon, provided that, if he was not a tenant in occupancy on the date the Attorney General accepted the Plan for filing, such rescission shall be conditioned upon the cancellation of any Interim Lease and the surrender of possession of his Unit within thirty (30) days after such rescission.

8. Subsequent to the First Unit Closing, this Plan may not be abandoned unless at least eighty percent (80%) of the Unit Owners, both in number and in Common Interest, vote to terminate the Condominium. Sponsor will not vote the aggregate Common Interest appurtenant to its Unsold Units for such termination unless at least eighty percent (80%) of the other Unit Owners, both in number and in Common Interest, elect to terminate, in which event Sponsor may choose to vote its Common Interest either in favor of or against termination of the Condominium, as it sees fit. For further discussion, see the Declaration of Condominium, contained in Part II of this Plan.

9. If this Plan is withdrawn or abandoned, all Purchasers and all tenants or other occupants of Units will be so notified in writing. Within twenty (20) days thereafter,

all monies (including but not limited to Down Payments) paid to Sponsor pursuant to Purchase Agreements then in effect (together with any interest earned thereon) will be returned to Purchasers in good standing, except to the extent used to perform any special work ordered by the Purchaser. Sponsor will retain, however, as liquidated damages, the Down Payment (together with any interest earned thereon, but not to exceed ten percent (10%) of the Purchase Price plus any additional sums deposited on account of any special work in the Unit ordered by the Purchaser) of any Purchaser who is then in default under his Purchase Agreement beyond any applicable grace period or whose Purchase Agreement had been cancelled previously as a result of such Purchaser's default. Upon the return or retention of such monies, the Purchase Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under this Plan or under such Purchase Agreements.

10. After this Plan has been declared effective, Sponsor will, from time to time, fix one or more dates for closing title to Units for which Purchase Agreements are in effect. The First Unit Closing will be held no later than one hundred eighty (180) days after the Plan is declared effective, unless adjourned by Sponsor, but in no event sooner than thirty (30) days after the date upon which notice is given that the Plan is declared effective. The closing of title to each Unit will take place in accordance with the terms of the applicable Purchase Agreement. See the Section above entitled **"Procedure to Purchase"** for a more complete discussion of the events that will occur at each such closing of title.

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

CLOSING OF TITLE TO UNITS AND TERMS OF SALE

Prerequisites to Closing of title

The closing of title to each Unit shall take place only after, or concurrently with, the latest of the following events to occur:

(1) The Plan being declared effective by Sponsor and an amendment to the Plan stating that it has been declared effective having been accepted for filing;

(2) The recording and filing in the Register's Office of the Declaration, By-Laws and Floor Plans in accordance with the Condominium Act or other Applicable Law and such other documents as may be required by Applicable Law in connection with the submission of the Property to condominium ownership pursuant to the Condominium Act;

(3) The release of such Unit and its appurtenant Common Interest from the lien of all mortgages, unless Sponsor has obtained from the holders of all such mortgages an agreement pursuant to which each such mortgage holder has either: (a) consented to the formation of the Condominium and acknowledged that its lien will be limited to Unsold Units, and/or (b) subordinated the lien of its mortgage to the Declaration; (the Sponsor has obtained such an agreement from the holder of the mortgage on the Property);

(4) If the Purchaser of such Unit so requests, the issuance of a title insurance binder insuring fee title to such Unit in the Purchaser, at the Purchaser's expense, subject only to the Permitted Encumbrances and any other title matters which Purchaser consents to take title subject to, which binder will also insure that a valid condominium has been created pursuant to the terms of the Condominium Act (see the Section of the Plan entitled **"Unit Closing Costs and Adjustments"** for an estimate of the cost to the Purchaser to obtain such title insurance); and

(5) Delivery to the Purchaser, in proper form for recording, of a duly executed bargain and sale deed with covenants against grantor's acts conveying title to such Unit (the **"Unit Deed"**).

State of title

Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the closing of title to such Unit free and clear of all liens, encumbrances, and title exceptions other than those described in the proposed Unit Deed and the title exceptions and other matters set forth below (collectively the **"Permitted Encumbrances"**):

1. Any state of facts which an accurate survey and inspection made on the date of closing of title to such Unit would show, provided such state of facts (except as set forth below) is not otherwise disclosed in this Plan and does not prohibit the existence and use of the Unit;

2. Zoning regulations, ordinances, building restrictions and regulations;

3. Consents by Sponsor or any former owner of the Property for the erection of any structure or structures on, under or above any street or streets which the Property may abut;

4. Encroachments of the Building, walls, stoops, steps, balconies, ornamental columns, windows, door caps, keystones, ledges, pilasters, coping, trim and cornices, and any other part thereof, if any, upon any street or highway or upon any adjoining property and similar encroachments upon the Property;

5. Sewer, water, electric, plumbing, heating, gas, telephone and other utility easements and consents, if any, then or thereafter recorded, including the right to maintain and operate lines, wires, cables, amplifiers, transformers, pipes, conduits, poles, meters and distribution boxes in, over, under and upon the Property and the Building;

6. The lien of any mortgage, lien or other encumbrance granted, created, or obtained by the Purchaser;

7. Easements for ingress and egress for construction, installation, operation and maintenance of municipal service facilities and utilities;

8. Agreements, covenants, restrictions and easements of record;

9. Any other covenants, restrictions, easements, or any other encumbrance (other than for the payment of money), provided that they do not prohibit the existence and use of the Unit;

10. Rights, if any, to maintain vaults and chutes under the sidewalk;

11. The lien of any Common Charges, real estate taxes, water frontage and/or meter charges, sewer rents, vault charges and assessments, provided that apportionment of such items is made as provided in this Plan;

12. Service, labor, concessionaire and maintenance agreements contemplated under this Plan;

13. Any Interim Lease with the Purchaser for such Unit and any other leases, tenancies and occupancies permitted by the Purchase Agreement for such Unit;

14. Any Existing Lease for such Unit;

15. Any lien, encumbrance or lis pendens either (i) for which the instrument required to remove said encumbrance of record is delivered at or prior to the date of closing of title to the Unit to the proper party or to the Purchaser's title insurance company together with the required recording or filing fee, or (ii) as to which the Purchaser's title insurance company will insure that the lien, encumbrance or lis pendens will not be collected out of or enforced against the Unit;

16. The lien of any assessment or assessments which are or may become payable in annual installments of which any installment is then a charge or a lien, provided that apportionment thereof is made as provided below;

17. Party wall agreements, if any;

18. Judgments, bankruptcies or other returns against other persons having names the same as or similar to that of Sponsor or any of its principals, provided Sponsor or any such principals, as the case may be, deliver to the Purchaser or the Purchaser's title insurance company an affidavit showing that such judgments, bankruptcies or other returns are not against Sponsor or any such principals, as the case may be;

19. Uniform Commercial Code financing statements or conditional bills of sale provided that (i) such statements were filed on a date more than five years prior to the closing of title to the Unit, (ii) Sponsor executes and delivers to the Condominium an affidavit setting forth that the property covered thereby is no longer in the Unit or is fully paid for, or (iii) a tenant is the debtor thereunder;

20. The printed exceptions set forth in the Certificate of Title No. 822593 of Royal Abstract of New York, LLC, or in any title policy issued by a title company that is authorized to do business in the State of New York and that is a member of the Title Insurance Rate Service Association; and

21. All of the terms, burdens, easements, covenants, restrictions, conditions and rules and regulations set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Unit Owner's Power of Attorney and the Floor Plans, all as may be amended from time to time.

Sponsor will have no obligation to cause the Purchaser's title company, if any, to omit any exceptions to title. In the event Purchaser's title company fails or refuses to issue title insurance in accordance with the terms of this Agreement, then the Purchaser shall accept such title as any other reputable title insurance company selected by Sponsor and reasonably acceptable to the Purchaser shall approve and insure, subject to the provisions herein.

Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense in excess of its obligations under the Plan to cure any inability to deliver title to a Unit in accordance with the Plan and the terms of the Purchase Agreement for such Unit. If Sponsor notifies a Purchaser of its refusal to cure any such inability, then such Purchaser's sole remedy will be either (a) to take such title as Sponsor is able to deliver without abatement in or credit against the Purchase Price for the Unit and without any claim or right of action against Sponsor for damages or otherwise, or (b) to terminate his Purchase Agreement and receive a refund of his Down Payment and any interest earned thereon. A Purchaser must notify Sponsor which option such Purchaser elects within ten (10) days after the giving of Sponsor's notice of refusal to

cure such inability, with **TIME BEING OF THE ESSENCE.** If a Purchaser fails to timely deliver such notice, it will be conclusively deemed that such Purchaser has elected to acquire title to the Unit subject to such inability as set forth in clause (a).

Terms of sale

The following is a summary of certain material provisions of the Purchase Agreement, but it is not intended as a complete statement of these or other important provisions of the same. For a complete statement of these provisions, please refer to the form of Purchase Agreement set forth in Part II of this Plan:

1. Incorporation of Plan

The Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) as well as all amendments to the Plan duly filed by Sponsor (including, but not limited to, amendments involving any changes, modifications or updating of the estimated Common Charges, the estimated real estate taxes to be paid by the Purchaser, or the Section of the Plan entitled **"Schedule B: Projected Budget for the First Year of Condominium Operation")** are incorporated into each Purchase Agreement by reference. Any conflict between the Purchase Agreement and the Plan will be resolved in favor of the Plan. The execution and submission of a Purchase Agreement constitutes the Purchaser's acceptance of this Plan and his agreement to be bound by the terms of the Plan, including all duly filed amendments thereto. Any such amendments shall not excuse the Purchaser from performing the Purchaser's obligations hereunder, nor shall they entitle the Purchaser to any offset or credit against the performance of the Purchaser's obligations hereunder, nor shall they entitle the Purchaser to any offset or credit against the Purchase Price. Any such amendments may be made by Sponsor without the Purchaser's consent or approval, subject to the Purchaser's right to rescind in the event of a material amendment to the Plan or the Condominium Documents that adversely affects in any material respect the Purchaser's rights, obligations or liabilities under his Purchase Agreement or under the Plan as more specifically set forth in the Section of the Plan entitled **"General."**

Moreover, if, prior to the First Unit Closing, Sponsor amends the terms and conditions contained in this Plan to be more favorable to tenant Purchasers, an Eligible Tenant who executed and submitted a Purchase Agreement before Sponsor amended the terms may elect to benefit from the more favorable terms and conditions, in which event the Purchase Agreement may be amended to reflect such more favorable terms.

Nothing contained in this Plan, the Purchase Agreement or any modifications thereto shall be deemed to constitute a waiver of the Purchaser's rights or an abrogation of Sponsor's obligations under Article 23-A of the GBL. The Purchase Agreement to be used by Eligible Tenants who purchase during the Exclusive Purchase Period may not be modified except by a duly filed amendment to the Plan.

2. Payment of purchase price

Each Purchaser shall deliver his check made payable to the order of **"Belkin Burden, as Escrow Agent for 452 West Company/[Name of Purchaser]"** in the amount of the Down Payment, subject to collection, simultaneously with the execution and delivery of the Purchase Agreement. The balance of the Purchase Price will be paid to Sponsor at the Closing.

Except for the Down Payment, which is to be paid as provided above, any payments to be made by the Purchaser under the Purchase Agreement (including without limitation the payment of the balance of the Purchase Price), whether to, on behalf of or at the request of Sponsor, must be made by unendorsed certified check, or bank check, drawn in either case on a member bank of the New York Clearing House Association and made payable to the order of Sponsor; except that at the request of Sponsor made at or prior to the closing, the Purchaser will pay the balance of the Purchase Price to such payees as Sponsor directs.

If any check for any payment to be made by the Purchaser under the Purchase Agreement (including, without limitation, the Down Payment) shall be dishonored for any reason whatsoever, it shall be deemed a material default by the Purchaser under the Purchase Agreement and Sponsor may, in that event, cancel the Purchase Agreement and, notwithstanding such cancellation, be entitled to recover the amount of such check in addition to, without limiting the foregoing provisions, the costs and expenses (including, but not limited to, reasonable

attorneys' fees and expenses) of collection of any such check or other instrument so dishonored.

3. Financing

As more fully described in the Purchase Agreement, a Purchaser's obligations to purchase his Unit under his Purchase Agreement will be contingent upon the issuance to the Purchaser, within thirty (30) days from the later of (i) the Effective Date, or (ii) the date of the Purchase Agreement, (the **"Financing Contingency Period"**), of a mortgage loan commitment by a Recognized Lender for a loan in an amount equal to seventy five (75%) percent of the Purchase Price (or such lesser sum as the Purchaser may approve), secured by a first mortgage on the Unit, bearing interest at the then prevailing rate structure charged by such Recognized Lender (the **"Commitment"**).

Each Purchaser must promptly apply for the loan and, within five (5) business days after Sponsor sends the Purchaser a fully executed counterpart of the Purchase Agreement, the Purchaser must complete, sign and submit to a Recognized Lender a mortgage loan application (on the form provided by such Recognized Lender) consistent with the loan terms set forth above and containing accurate and complete financial and other information with respect to the Purchaser and members of the Purchaser's family as may be required by the Recognized Lender.

The Purchaser will either deliver a copy of the Commitment to the Seller within five (5) days after its issuance or notify Sponsor in writing of the Purchaser's failure to obtain same within five (5) days after expiration of the thirty (30) day period within which same was to be obtained, as the case may be. In the event the Purchaser fails to obtain the Commitment within the specified time period, the Purchaser must deliver to Sponsor copies of the Purchaser's loan application and the Recognized Lender's **"Mortgage Disclosure Statement"** along with the notice of the Purchaser's failure to obtain the Commitment.

If the Purchaser is other than a natural person (such as a corporation or partnership), the Purchaser agrees to furnish at closing such guarantees from the Purchaser's officers, stockholders, partners, members or principals (as the case may be) as the Recognized Lender may request.

If the Recognized Lender refuses or fails to issue, within the Financing Contingency Period, a Commitment in favor of the Purchaser for a loan on the terms set forth above, then, except as provided below, the Purchaser, if and only if the Purchaser has acted in good faith and complied with all of the Purchaser's obligations under the Purchase Agreement, may cancel the Purchase Agreement by notice to Sponsor given within five (5) days after the expiration of the Financing Contingency Period.

Notwithstanding the foregoing, within seven (7) business days after receiving from the Purchaser a notice of cancellation of the Purchase Agreement as provided above, where the basis of such cancellation is the failure (as opposed to the refusal) of the Recognized Lender to issue a Commitment within the Financing Contingency Period, Sponsor may, but shall not be obligated to, elect by notice given to the Purchaser to extend the Financing Contingency Period for an additional period of thirty (30) days from the date such notice is given to the Purchaser.

Notwithstanding the foregoing, within seven (7) business days after receiving from the Purchaser a notice of cancellation of the Purchase Agreement as provided above, where the basis of such cancellation is the refusal (as opposed to the failure) of the Recognized Lender to issue a Commitment within the Financing Contingency Period, Sponsor may, but shall not be obligated, to elect to endeavor to obtain a Commitment for a loan from another Recognized Lender on Purchaser's behalf or originate such loan itself, in either case on substantially the same terms and conditions as the loan originally applied for by the Purchaser. Upon the giving by Sponsor of such a notice, the Financing Contingency Period shall be deemed extended for an additional period of thirty (30) days from the date such notice is given to the Purchaser, and the Purchaser shall thereafter, in connection with any loan being made by another Recognized Lender or being originated by Sponsor and in connection with obtaining a Commitment for any such loan, be required to comply with the applicable provisions of the Purchase Agreement, including but not limited to requirements with respect to applying for and accepting a Commitment for such loan.

If the Purchase Agreement is cancelled as set forth above, the Escrow Agent shall refund to the Purchaser within thirty (30) days after such cancellation all monies deposited by

Purchaser under his Purchase Agreement together with any interest thereon. Upon such refund being made, Sponsor and the Purchaser shall be released and discharged of all further liabilities and obligations under the Purchase Agreement and under the Plan. The Purchaser's failure to comply with all of the Purchaser's obligations under the Purchase Agreement in connection with obtaining financing will constitute a waiver by the Purchaser of the provisions of the Purchase Agreement conditioning the Purchase Agreement upon obtaining the financing described in this subsection and of the Purchaser's right to cancel thereunder.

If a Purchaser chooses to obtain financing from a source other than a Recognized Lender, the Purchaser's obligations under the Purchase Agreement will not be conditioned upon his obtaining such other financing. Thus, the failure to obtain financing from such a source will not relieve Purchaser from his obligations under the Purchase Agreement.

Sponsor cannot and does not represent, assure or guarantee that any Purchaser will be able to obtain mortgage financing or the terms or costs of such financing. It is noted that most lenders currently require a specified minimum percentage of units in a condominium be sold to Purchasers for owner-occupancy as one of their loan prerequisites. Sponsor cannot, and does not, represent, warrant, assure or guarantee the percentage of Units that will be owner-occupied at any given time or that such percentage will meet the requirements of Institutional Lenders or other lenders at any time, or whether a Purchaser will succeed in arranging such financing. Please consult the Sections of the Plan entitled **"Special Risks"** and **"Closing of Title to Units and Terms of Sale."**

4. Events of default

If a Purchaser (i) defaults in paying the balance of the Purchase Price on the date scheduled by Sponsor for closing title to his Unit, (ii) defaults in performing some other obligation under the Purchase Agreement, or (iii) is or becomes a tenant or occupant of the Building and is evicted (whether by voluntary removal or by court order), for failure to pay rent or to perform some other lease or tenancy obligation, Sponsor's sole remedy under the Purchase Agreement will be to cancel said Purchase Agreement by sending written notice to such Purchaser and, if such Purchaser shall fail to cure such default within

thirty (30) days after the giving of such notice, to retain, as and for liquidated damages, the Liquidated Sum. Any payments received by Sponsor in excess of the Liquidated Sum, together with interest earned on such excess payments, if any, shall be refunded to the Purchaser with reasonable promptness after cancellation. **THE CURING OF SUCH DEFAULT WITHIN SAID THIRTY (30) DAY PERIOD IS OF THE ESSENCE OF THIS AGREEMENT. THIS MEANS THAT, UPON THE PURCHASER'S FAILURE TO CURE HIS DEFAULT WITHIN SUCH PERIOD, THE PURCHASE AGREEMENT SHALL BE DEEMED CANCELLED AND SPONSOR MAY RETAIN THE LIQUIDATED SUM AS DAMAGES.** If a Purchaser is or becomes a tenant or occupant of the Building and fails to pay rent or otherwise to comply with his lease or tenancy obligations or vacates or abandons his Unit, then Sponsor may cancel his Purchase Agreement as set forth above whether or not such Purchaser is evicted from the Building by reason thereof. If, however, such person is not evicted from the Building by reason of such default, vacating or abandonment, Sponsor shall return to such Purchaser all monies deposited under his Purchase Agreement, together with the interest earned thereon, if any.

If a Purchase Agreement is cancelled, both Sponsor and the Purchaser shall be relieved of all further obligations and liabilities thereunder and under this Plan, and Sponsor shall be free to sell the Unit to another Person as though such Purchase Agreement had never been made and without accounting to the Purchaser for the proceeds received on such sale.

5. Units sold "As Is"; fixtures and appliances

The Building, including but not limited to the Units, is being sold in the condition in which it exists at the time of signing the Purchase Agreement, subject to ordinary use, wear and tear and natural deterioration; and subject further to Sponsor's obligation to maintain the Building until the First Unit Closing to the extent indicated in the Section of the Plan entitled **"Sponsor's Statement of Building Condition."** Sponsor will not be obligated to make repairs, modifications or changes in or to any Unit unless expressly agreed to in writing by the parties.

At closing, each Unit will contain only those appliances, countertops, cabinets, sinks, vanities, hardware and other fixtures and equipment that are owned by Sponsor and were installed therein as of the date of the Purchase Agreement

relating to such Unit. Each Unit is to be sold unfurnished, and there will be no modifications or "extras" unless agreed to in writing by the parties. Any appliances, furnishings, equipment, fixtures or other personal property owned by any tenant or occupant of the Unit or any other Person will not be included in the sale. If, however, a Unit is at the time of closing occupied other than by the Purchaser, and such tenant or other occupant removes a stove or refrigerator belonging to him, then Sponsor will supply a replacement, which need not be new, but will be in working order and similar in style and quality to the stoves and refrigerators owned by Sponsor that are contained in comparable Units in the Building on the date of presentation of this Plan.

6. Access to Unit

Each Purchaser of a Unit that he does not occupy shall be given reasonable access to such Unit prior to the Closing (subject to the rights of any tenant or occupant of such Unit) for the limited purpose of inspection and taking measurements. Any Purchaser permitted such access shall release Sponsor and the Selling Agent from any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from any injuries sustained by any person or damage to any property resulting from such access, even if such injury results from the negligence of Sponsor, the Selling Agent or any of their respective agents, employees, contractors or representatives. In addition, any such Purchaser shall indemnify and hold Sponsor and the Selling Agent and their respective agents, employees, contractors and representatives harmless from and against any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from such access, including without limitation reasonable attorneys' fees and expenses.

7. Closing of title

The Closing of title to each Unit will be held in such place in the City of New York, on such day and at such hour as Sponsor shall designate to the Purchaser of such Unit on not less than thirty (30) days' prior written notice. Such notice shall inform the Purchaser of his obligation to pay the balance of the Purchase Price as set forth in the subsection entitled **"Payment of Purchase Price,"** above, and shall state when Common Charges will be due and payable. Sponsor shall have the right to postpone the Closing date and to fix a new Closing date. In

such event, Sponsor shall give the Purchaser not less than five (5) business days' prior notice of the new date and time of Closing. The Closing shall take place only after or concurrently with the occurrence of the necessary concurrent or prerequisite events set forth in the subsection entitled **"Prerequisites to Closing of Title,"** above.

The foregoing shall not act to extend Sponsor's time to declare the Plan effective as set forth in the Section of the Plan entitled **"Effective Date"** and shall not affect Sponsor's right to abandon or withdraw this Plan as set forth in such Section. If the Plan is so abandoned or withdrawn, the Purchase Agreement will be deemed cancelled, and all monies paid by the Purchaser thereunder, together with interest earned thereon, if any, shall be disbursed as discussed in the subsection entitled **"Trust Funds,"** above. After the funds are so disbursed, neither the Purchaser nor Sponsor shall have any claims against each other in connection with the Purchase Agreement or this Plan, nor shall the Purchaser have any such claims against the Selling Agent, and all of the same shall be released and discharged from all obligations and liabilities under the Purchase Agreement and this Plan.

8. Delivery of deed

Upon delivery to Sponsor of (i) the balance of the Purchase Price, (ii) a Unit Owner's Power of Attorney in favor of the Condominium Board and Sponsor, and (iii) transfer tax returns in the form required to be filed with the City and State of New York, which documents must be executed and acknowledged by the Purchaser, Sponsor will execute, acknowledge and deliver to the Purchaser a bargain and sale deed with covenant against grantor's acts, conveying title to the Unit subject only to the Permitted Encumbrances and such other title conditions as consented to by Purchaser, if any. The deed and the Unit Owner's Power of Attorney will be substantially in the forms set forth in Part II of this Plan.

9. Existing tenancies

If the Purchaser's Unit is, at the time of signing the Purchase Agreement, occupied by, or under lease to, someone other than such Purchaser, such Purchaser will purchase such Unit subject to the rights of the existing tenant or occupant; the rights of existing residential tenants are more fully

described in the Section of this Plan entitled **"Rights of Existing Tenants."** In addition, upon becoming the Unit Owner of such Unit, said Purchaser will succeed to and assume all of Sponsor's rights and obligations as the landlord of such tenant or occupant, as more fully set forth in the Section of the Plan entitled **"Obtaining Possession of Occupied Units; Rights and Duties of Non-Occupant Purchasers."**

10. Rent security deposits

The unapplied rent security deposit, if any, of a tenant who purchases his Unit will be refunded to such tenant, together with any interest earned thereon, within thirty (30) days after the closing of title to the Unit, provided that the tenant is not in default under his lease or tenancy obligations. If an occupied Unit is purchased by someone other than the tenant or occupant, the unapplied security deposit, if any, will be transferred at closing to such Purchaser, who shall, in writing, acknowledge receipt of same at closing and agree to indemnify Sponsor from all liability in connection therewith. In either event, Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent due to Sponsor from such tenant or occupant.

11. Risk of loss or damage to Units prior to Closing

If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing of title thereto and before such Closing the 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 the Unit and did not result from the acts or omissions of such Purchaser or other occupant of the Unit or such Purchaser's or other occupant's guests, invitees or workers. 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 or restore the same. If Sponsor or (in the event the Declaration has been filed) the Unit Owners do not elect to repair the damage (except for damage that is the Purchaser's obligation to repair as provided above), the Purchase Agreement will be cancelled and be of no further force or effect. Thereafter, the Down Payment, together with interest earned thereon, if any, shall be disbursed as discussed above in the subsection entitled **"Trust Funds."** If Sponsor (or the Unit Owners, if the Declaration has been filed) elects to

repair or replace the loss or damage so as to restore the Unit substantially to its condition immediately preceding such loss or damage, the Purchase Agreement shall continue in full force and effect; in which event the 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 (or the Unit Owners) shall be entitled to a reasonable period of time to complete such repairs or replacement.

12. Broker

The Purchaser will represent to Sponsor that he has not dealt with any broker other than the Selling Agent in connection with the acquisition of his Unit and will indemnify Sponsor against the claims of any other broker.

13. No lien

Neither the Purchase Agreement nor any monies deposited thereunder shall constitute a lien against the Property, including the Unit.

14. Agreement may not be assigned

The Purchase Agreement may not be assigned or transferred by the Purchaser without his first obtaining the express written consent of Sponsor. Any applications for assignment of a Purchase Agreement will be considered by Sponsor on an objective and non-discriminatory basis. The Plan will not be declared effective based on Purchase Agreements assigned or transferred, except as set forth in the Section of the Plan entitled **"Effective Date."** Notwithstanding any consent to an assignment of the Purchase Agreement agreed to by Sponsor, no Purchaser shall be released from any liability under his Purchase Agreement by reason of such assignment.

UNIT CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs, expenses and adjustments to be borne by each Purchaser of a Unit are set forth below. SPONSOR MAKES NO REPRESENTATION OR WARRANTY AS TO SUCH COSTS, WHICH ARE ONLY ESTIMATES AND WHICH ARE SUBJECT TO CHANGE.

At the Closing of title to each Unit, Sponsor and the Purchaser shall apportion, as of midnight of the day preceding the closing: (i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal tax year for which assessed, including water charges and sewer rents (if separately assessed) and any escrows for real estate taxes; (ii) Common Charges for the month in which title closes; and (iii) rent and other charges, if any, pursuant to the lease for, or tenancy of, such Unit. In the event the Unit has not been separately assessed for the then current fiscal tax year as of the Closing, the apportionment of real estate taxes shall be based on the Unit's pro rata share (in proportion to its Common Interest) of the then current real estate taxes assessed against the Property. Installments for tax assessments due after delivery of the deed (if any) shall be paid by the Purchaser and shall not be considered a defect in title.

At the time of Closing, each Purchaser of a Unit will pay certain Closing costs in addition to any legal fees of such Purchaser's counsel and the amount of any net credit in favor of Sponsor resulting from the Closing apportionments described above. Such Closing costs will include the following, the amounts of which are subject to change without prior notice or amendment (except for fees required to be paid to Sponsor's counsel as set forth in subdivision (vii), below, the amount of which fees may only be changed by duly filed amendment):

1. If the Purchaser elects to obtain fee title insurance, he will pay a premium therefor which will vary depending upon the amount of insurance requested. The premium for fee title insurance, if ordered from Royal Abstract of New York, LLC will be in accordance with the schedule of rates set by the New York Board of Underwriters and filed with the New York State Insurance Department. At the present time, the rates are as follows:

seventy percent of $371.00 for the first $35,000.00; from $35,001.00 to $50,000.00, add $6.16 per thousand; from $50,001.00 to $100,000.00, add $5.02 per thousand; from $100,001.00 to $500,000.00, add $4.03 per thousand; from $500,001.00 to $1,000,000.00, add $3.68 per thousand,; and from $1,000,001.00 to $5,000,000.00, add $3.38 per thousand.

Alternatively, where a mortgage title policy is simultaneously issued, reduced rates set by the New York State Insurance Department may be available. Each Purchaser is free to obtain title insurance from a title insurance company other than from Royal Abstract of New York, LLC telephone: (212) 376-0900); however, Sponsor makes no representation or warranty as to the cost, terms or availability of such other title insurance;

2. each Purchaser will, in all events, pay a fee for recording the deed to the Unit and the Unit Owner's Power of Attorney of $42.00 for each instrument plus $5.00 per page, together with a service charge to the title company for such recording of approximately $20.00 per instrument;

3. if the Purchaser obtains a mortgage loan, such Purchaser will pay a mortgage recording tax in the amount provided by Applicable Law (at present, the rate is 2.05% if the principal amount of the mortgage is less than $500,000.00, 2.175% if the principal amount of the mortgage exceeds $500,000.00 and is against a 1-, 2- or 3-family dwelling or an individual residential condominium unit, and 2.80% for mortgages of $500,000.00 or more against a different type of property) and a fee and service charge to the title company for recording the mortgage at the same rates given above for recording the deed and Unit Owner's Power of Attorney; it should be noted that, since there is currently a mortgage against the Property for which Sponsor has previously paid a mortgage recording tax, Purchaser may be entitled to the benefit of a partial mortgage tax credit, which shall be payable to Sponsor, pursuant to Section 339-ee of the New York State Condominium Act;

4. each Purchaser will be required to pay the New York City Real Property Transfer Tax (the rates of which for residential property such as all of the Units are, at present, 1% of the purchase price if the purchase price is less than $500,000, and 1.425% of the total purchase price if the purchase price is $500,000 or more, as well as the New York State Real Estate Transfer Tax (the rate of which is, at present, $2.00 per $500.00 of purchase price); it should be noted that, since, pursuant to the Purchase Agreement, each Purchaser will be obligated to pay these transfer taxes, the amounts thereof will be added to the Purchase Price before the appropriate tax rates are

applied, in calculating the actual transfer taxes that will be due;

5. if the purchase price of a Unit is $1 million or more, the Purchaser will also be obligated to pay an additional New York State "Mansion Tax" in an amount equal to 1% of the aggregate purchase price;

6. if the Purchaser obtains a mortgage loan, then the Purchaser will be responsible for paying all closing costs and expenses in connection therewith in amounts determined by the lender. Generally, such costs include but are not necessarily limited to: a fee charged by the lender's attorney; an appraisal fee; an inspection fee; a fee for recording the mortgage; and an origination fee, or "points". Sponsor makes no representation or warranty as to such closing costs and expenses or as to the availability of such financing;

7. if the Purchaser has dealt with any broker in connection with the purchase of his Unit other than the Selling Agent or any other broker engaged in writing by Sponsor, then the Purchaser will be required to pay the commission of such broker unless Sponsor expressly agrees otherwise in writing;

8. each Purchaser shall pay a closing fee of $1,200.00 to Sponsor's counsel, Belkin Burden Wenig & Goldman, LLP; if, however, the Purchaser does not close on the date designated for the transfer of title to his/her Unit and such closing must be adjourned to a subsequent date, the Purchaser shall pay to Sponsor's counsel an additional closing fee of $150.00, as well as an additional fee in the amount of $150 for each default letter that Sponsor's counsel shall serve; further, if the Purchaser assigns the Purchase Agreement (which assignment cannot be made without Sponsor's consent), then the Purchaser shall pay to Sponsor's counsel an additional closing fee of $250.00; finally, if the closing takes place out of the office of Sponsor's attorney, then an additional closing fee of $250.00 payable to Sponsor's counsel, will be paid by the Purchaser;

9. at the closing, each Purchaser shall pay to the Condominium a working capital contribution equal to two months common charges for the Unit being purchased;

10. Purchasers of Units occupied by Non-Purchasing Tenants, except Sponsor or any Sponsor Successor, will be required to deposit with the Managing Agent at the closing an amount equal to an additional two months' common charges and real estate taxes to be used as working capital to furnish services required under the Non-Purchasing Tenant's lease and pursuant to Law.

Mortgage Tax Credit

In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit will inure to the benefit of Sponsor. Accordingly, at the closing, a Purchaser who elects mortgage financing and whose financing shall be subject to such mortgage tax credit will pay the full amount (but not in excess thereof) of the mortgage recording tax otherwise due on the entire amount being financed, but a portion of such amount will be paid to Sponsor as reimbursement to the extent of any mortgage tax credit allowed.

Note should be taken that the recording charges, fees and taxes above are based on rates in effect at the date of presentation of the Plan and are subject to change without notice. Premiums for title insurance will vary depending upon the Purchase Price and the amount of any mortgage loan. No representations are made as to the amounts of any charges, fees and taxes at the time of closing or as to the availability, cost or terms of financing.

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's obligations with respect to 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, except as set forth above.

If there are violations of record that affect the health, welfare or safety of residents of the Property (except violations that result from the acts or omissions of tenants in their individual Units) or title defects (other than mortgages and Permitted Encumbrances) affecting the Property at the time of the First Unit Closing, except as otherwise provided in the Plan, Sponsor will cause the violations or defects to be cured, at its sole cost and expense. Sponsor shall not be obligated to cause to be cured any violation that does not affect the health, welfare or safety of residents of the Property. As set forth in the Section of the Plan entitled **"Effective Date of this Plan and the Date of Closing Title to Units,"** if the cost to cure such defects (excluding violations of record as of the Presentation Date that Sponsor is obligated to cure) exceeds certain dollar amounts therein set forth, Sponsor shall have the right to abandon the Plan rather than cure such defects. The existence of any violations or defects will not constitute an objection to title or excuse any Purchaser from completing payment of the balance due under his Purchase Agreement (without provision for escrow), provided that Sponsor either furnishes adequate proof that such violation or defect has been cured or remedied or deposits with the Condominium Board a reasonable sum to secure Sponsor's obligation to cure and remedy such violation or defect subsequent to the First Unit Closing. At Sponsor's request, the Condominium Board will apply the sums so deposited towards payment of the cost of curing or remedying violations or title defects, except the Condominium Board may retain a sufficient portion of such security deposit to pay for the reasonable costs of curing or remedying the remaining violations or defects.

Sponsor shall procure fire insurance coverage, on behalf of the Condominium, at the Condominium's expense, to be effective at the First Unit Closing, in the amount set forth in the Footnotes to Schedule B. Sponsor believes that the fire and casualty insurance coverage set forth in such Schedule B.

Immediately following the First Unit Closing, Sponsor will assign to the Condominium Board, and the Condominium Board will, on behalf of all Unit Owners, assume, all assignable service and maintenance contracts and agreements relating to the Property. The Condominium will indemnify Sponsor against all

claims and liability thereunder that relate to matters and events occurring on or after the day upon which the First Unit Closing occurs.

Unsold Units

Title to each Unsold Unit will remain in Sponsor until the Unit is sold and a deed delivered to the Purchaser. Sponsor reserves the right to procure a Sponsor Successor which may become the owner of certain or all Unsold Units. From and after the first Unit Closing, Sponsor will be obligated to pay Common Charges, special assessments and real estate taxes and to perform other duties as a Unit Owner with respect to any Unsold Units for as long as same are owned by Sponsor. Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units.

General obligations

Sponsor represents that until it no longer controls the Condominium Board, the Property will be maintained, repaired, cared for and operated in substantially the same condition and manner as it was on the Presentation Date of the Plan, reasonable wear and tear excepted, and subject to strikes, lockouts, labor difficulties, acts of God, fire or other casualty, storm, 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 Sponsor is prevented from so maintaining the Property for any of these reasons other than fire or other casualty, Sponsor will make any repairs subsequent to the First Unit Closing that it was obligated to make prior thereto.

In the event of the dissolution or liquidation of Sponsor, or the transfer to a single transferee of ten (10) or more Units or twenty percent (20%) of the total number of Units in the Condominium, whichever is less, the principals of Sponsor will provide financially responsible entities or individuals who will assume with respect to those Units the status of, and all of the obligations of, Sponsor under the Plan and Applicable Law; and in the event of any such liquidation or dissolution of Sponsor, the principals of Sponsor shall guarantee the performance of such obligations.

All representations under the Plan, all obligations pursuant to the GBL, and such additional obligations under the Plan which are to be performed subsequent to the First Unit Closing will survive delivery of a deed to a Unit.

The foregoing sets forth the entire extent of the obligations of Sponsor and no other obligations will be implied, except that nothing contained herein will be deemed to limit the rights of Purchasers under their respective Purchase Agreements. Sponsor makes no representations or warranties other than as set forth in this Section. Sponsor will not be liable for any claims or obligated to defend any suits with respect to any Unit arising out of any occurrence taking place on or after the date of the closing of title to such 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 closing of title to such Unit Closing, except suits or claims arising out of the acts of Sponsor or the representations made by Sponsor in this Plan.

Obligations of Sponsor hereunder with respect to the Condominium and the Common Elements will be enforceable only by the Condominium Board on behalf of all Unit Owners. In no event will any obligations of Sponsor under this Section be enforceable by individual Unit Owner unless the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of written notice of such claim by any Unit Owner to the Condominium Board.

Sponsor intends to meet its financial obligations to the Condominium under the Plan through profits generated from sales of, and income generated from the rental of, Unsold Units. Sponsor has not furnished any bond or other security for the performance of its obligations under the Plan.

CONTROL BY SPONSOR

Sponsor or any Sponsor Successor will have the right to vote all of the Common Interest attributable to Units owned by it. Sponsor will control the Condominium Board until the expiration of the Initial Control Period. At all elections held after the expiration of the Initial Control Period, not more than two members of the Condominium Board may be elected or

designated by Sponsor or any Sponsor Successor. However, following the Initial Control Period: (i) Sponsor shall have the right, in addition to electing or designating such members of the Condominium Board as it shall be entitled to do, to vote its Common Interest with regard to the election of persons for the remaining seats on the Condominium Board, which persons are not to be designated or elected by Sponsor or Sponsor Successor, and (ii) as long as Sponsor or any Sponsor Successor owns at least one Unit, Sponsor or such Sponsor Successor will have the right to elect or designate one member of the Condominium Board.

The By-Laws of the Condominium do not include a provision that, after the Initial Control Period, a majority of the Condominium's Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners (including Sponsor) may have inherent conflicts on how the Condominium should be managed, due to their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

The number of members of the Condominium Board may not be increased without the consent of Sponsor or any Sponsor Successor for so long as Sponsor or any Sponsor Successor owns any Unsold Units.

Until Sponsor or any Sponsor Successor no longer elects a majority of the members of the Condominium Board, Sponsor or any Sponsor Successor will, through its control of the Condominium Board, have control of the maintenance and operation of, and the services to be provided by, the Condominium and will indirectly determine the Common Charges to be paid by all Unit Owners. In no event, however, will Sponsor control the Condominium Board beyond the Initial Control Period.

As long as Sponsor or any Sponsor Successor continues to own at least twenty-five percent (25%) of the Units during the five (5) years following the First Unit Closing, the Condominium Board will not be permitted, without the prior written consent of Sponsor or any Sponsor Successor, to:

(1) make any addition, alteration or improvement to the Common Elements or to any Unit, unless required by Applicable Law;

(2) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency or surplus fund in excess of the lesser of: (i) five (5%) percent in the aggregate of the estimated Common Expenses for any one fiscal year of operation, or (ii) the maximum assessment permitted under Applicable Law;

(3) increase the number or change the type of employees from that described in the First Year Budget;

(4) enter into any service or maintenance contracts for Work not covered in the First Year Budget;

(5) borrow money on behalf of the Condominium; or

(6) exercise a right of first refusal to lease or purchase a Unit.

Notwithstanding the foregoing, neither Sponsor nor any Sponsor Successor may exercise a veto over expenditures that: (i) conform to the First Year Budget and are for the period covered by the First Year Budget; or (ii) are required to comply with Applicable Law, including to cure any notices of violations; or (iii) are necessary to remedy any work order by an insurer which is the responsibility of the Condominium Board to remedy. See also the Section of the Plan entitled **"Rights and Obligations of Condominium Board/Summary of By-Laws."**

RIGHTS AND OBLIGATIONS OF CONDOMINIUM BOARD/SUMMARY OF BY-LAWS

The Condominium Board

The affairs of the Condominium will be governed by the Condominium Board, which will consist initially of Aaron Shmulewitz, Denise Denicola and Rosa Lombardo (who are, respectively, a member of, an associate with, and an employee of, Sponsor's Counsel). At the first meeting of the Unit Owners, which will be held not later than sixty (60) days after the earlier of: (i) the closing of title to Units whose aggregate Common Interests exceed fifty percent (50%), or (ii) twelve (12) months after the First Unit Closing, the three-member Condominium Board will resign in favor of a new five-member Condominium Board, to be elected by Unit Owners at such

meeting. Thereafter, elections to the Condominium Board will be held at the regular annual meetings of Unit Owners in or before June of each succeeding year. In addition, the By-Laws provide that special meetings of Unit Owners may be called under certain circumstances. Each of the members of the five-member Condominium Board will serve until the next regular annual meeting of Unit Owners and until his successor is elected and qualified.

Except for members designated or elected by Sponsor or a Sponsor Successor, all members of the Condominium Board must be either: (i) individual Unit Owners, or spouses or domestic partners thereof; (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, members, principals, employees or beneficiaries of corporations, partnerships, limited liability companies, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees. Other than members designated as such by Sponsor or a Sponsor Successor, no member will continue to serve on the Condominium Board after he ceases to be a Unit Owner or an interested party in a Unit Owner, as specified in the preceding sentences.

Members of the Condominium Board are subject to removal, with or without cause, by vote of Unit Owners owning a majority of the aggregate Common Interest of the Condominium attending a duly called meeting at which a quorum is present, except that members designated, elected or appointed by Sponsor or any Sponsor Successor may be removed by the Condominium Board for cause only, or by Sponsor or such Sponsor Successor without cause. Sponsor or any Sponsor Successor will have the right to designate a replacement for any member that had been designated, elected or appointed by Sponsor or any Sponsor Successor who have been removed from the Condominium Board.

All members of the Condominium Board will serve without compensation.

Powers and duties of the Condominium Board

The Condominium Board will have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (subject to the limitations set forth in the By-Laws), including, without limitation, the operation, care, upkeep and maintenance of the Common Elements, determination and

collection of the Common Charges and Special Assessments, employment and dismissal of the personnel necessary for the maintenance and operation of the Condominium, adoption and amendment of the Rules and Regulations, maintaining bank accounts on behalf of the Condominium, purchasing, leasing or otherwise acquiring Units in the name of the Condominium Board or its designees, selling, leasing, mortgaging or otherwise dealing with (but not voting the Common Interests appurtenant to) Units acquired or leased by the Condominium Board, making repairs, additions and improvements to, or alterations of, the Property and the Common Elements, and generally managing and supervising the Condominium pursuant to the Declaration and the By-Laws. See the By-Laws for further details.

As more fully set forth in the By-Laws, all determinations required to be made by the Condominium Board will be by majority of the votes cast at any duly called meeting at which a quorum is present, subject to certain approval and veto rights of Sponsor and any Sponsor Successor as set forth in the Section of the Plan entitled **"Control by Sponsor."**

Officers of the Condominium

The officers of the Condominium will consist of the President, the Vice President, the Secretary and the Treasurer, all of whom will be elected annually by a majority vote of the Condominium Board. The Condominium Board may also appoint additional officers. All officers will serve without compensation. None of the officers need be Unit Owners until the five-member Condominium Board is elected at the first meeting of the Unit Owners. Thereafter, both the President and the Vice President must be members of the Condominium Board and Unit Owners (or officers, directors, shareholders, partners, members, employees or beneficiaries, or their Family Members, of corporations, partnerships, limited liability companies, fiduciaries or Mortgagees that are Unit Owners). Any officer may be removed, without cause, by vote of a majority of the Condominium Board at a meeting duly called for such purpose.

Meetings and votes of the Unit Owners

Except for the first meeting, the Unit Owners will hold annual meetings in or before June of each year. At each annual meeting, the Unit Owners will elect successors to the members of the Condominium Board. In addition, special meetings

of Unit Owners may be held from time to time, pursuant to the By-Laws, whenever necessary for the affairs of the Condominium.

Each Unit Owner, including Sponsor and any Sponsor Successors, will be entitled to cast one vote at all meetings of the Unit Owners for each 0.0001% of Common Interest attributable to his Unit. The presence, in person or by proxy, of Unit Owners having a majority of the votes of all Unit Owners will constitute a quorum at all meetings of the Unit Owners, and, unless otherwise provided, the decision of the Unit Owners casting a majority of the votes of the Unit Owners at a meeting at which a quorum is present will be binding upon all Unit Owners. However, elections of members of the Condominium Board will be determined by plurality vote.

Repairs, alterations and improvements to Common Elements

All painting, decorating, maintenance, repairs, and replacements to the Common Elements (other than to any Limited Common Elements, if any), whether located inside or outside of Units, will be made by the Condominium Board, which need not obtain the approval of Unit Owners or of any mortgagees of Units (regardless of the cost thereof), and the cost shall be a Common Expense, unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such Unit Owner will bear the entire cost thereof.

The cost of snow removal from sidewalks will be a Common Expense. All maintenance and repairs to the Common Elements will be performed by employees of the Condominium or by independent contractors. The Condominium will employ a non-resident superintendent, whose estimated wages are included in Schedule B of the Plan.

Whenever, in the judgment of the Condominium Board, the Common Elements (other than any Limited Common Elements, if any) shall require any addition, alteration or improvement (in contrast to painting, decorating, maintenance, repairs, or replacements) costing more than one hundred thousand dollars ($100,000.00) in the aggregate in any calendar year, such addition, alteration or improvement will not be made unless approved by a Majority of Unit Owners (including Sponsor or any Sponsor Successor, if either then owns any Unit) at a duly constituted Unit Owners' meeting and by the Mortgage

Representatives, if any. If approved, the Condominium Board may, in its discretion, assess each Unit Owner its pro-rata share of the cost of any such addition, alteration or improvement, according to its Common Interest, as part of, or as a Special Assessment in addition to, the Common Charges. Any addition, alteration or improvement costing one hundred thousand dollars ($100,000.00) or less, in the aggregate, in any calendar year may be made by the Condominium Board without the approval of the Unit Owners or the Mortgage Representatives, if any, and the cost thereof will constitute a Common Expense. Notwithstanding the foregoing, no addition, alteration or improvement will be made to the Common Elements, regardless of the cost thereof, unless the written consent of Sponsor and any Sponsor Successor (so long as Sponsor or any Sponsor Successor or both shall collectively own at least twenty-five percent (25%) of the Units during the five (5) years following the First Unit Closing) is first obtained, unless required by Applicable Law.

Insurance

The Condominium Board will maintain fire insurance policies with all-risk extended coverage, insuring the Property (including the Property's Systems and 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 or any furniture, furnishings or other personal property supplied or installed by the Unit Owners or tenants of Unit Owners) and covering the interests of the Condominium, the Condominium Board, all the Unit Owners (including Sponsor and any Sponsor Successor) and Permitted Mortgagees, as their respective interests may appear, in an amount equal to at least eighty percent (80%) of the full replacement cost of the Building (exclusive of foundation and footings), without deduction for depreciation. Each of such policies will contain a New York standard mortgagee clause in favor of each Permitted Mortgagee, which will provide that the loss proceeds thereunder, if any, will be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and any Insurance Trustee as set forth below.

All such policies will contain waivers of subrogation and of any defense based on coinsurance or on invalidity arising from any acts of the insured and of pro-rata reduction of

liability, and will provide that such policies may not be canceled or substantially modified without at least ten (10) days' written notice to all the insureds, including Permitted Mortgagees. Each Unit Owner shall be deemed an additional insured under each such policy.

The Condominium Board will also maintain, to the extent practicable: (a) comprehensive general liability insurance as to personal injury and property damage in such limits and amounts as the Condominium Board may from time to time determine, covering each member of the Condominium Board, the Managing Agent (if any) and each Unit Owner; (b) rent insurance in an amount equal to the Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) water damage legal liability insurance; (f) umbrella liability insurance; (g) officers' and directors' liability insurance; and (h) such other insurance as the Condominium Board may from time to time determine to be appropriate. Such public liability policies will also cover cross-liability claims of one insured against another. However, such insurance will not cover the individual liability of a Unit Owner arising from any occurrence within his own Unit or any Limited Common Elements appurtenant thereto.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The cost of all insurance will be paid by the Condominium Board and will be borne by all Unit Owners as part of the Common Charges.

The net insurance proceeds payable under insurance policies maintained by the Condominium Board by reason of damage to or destruction of any part of the Building by fire or other casualty will be payable either to the Condominium Board, if one hundred thousand dollars ($100,000.00) or less in the aggregate, or to the Insurance Trustee, if in excess of one hundred thousand dollars ($100,000.00) in the aggregate.

Such proceeds will be applied for the purpose of repairing, restoring or rebuilding the Property, unless otherwise determined by Unit Owners. In no event will such proceeds be paid to the holder of any mortgage placed by a Unit Owner on his Unit unless, in accordance with the provisions of the By-Laws, there is a determination not to rebuild the Property. The Insurance Trustee will be a bank or trust

company, having any office in the City and State of New York, designated by the Condominium Board in accordance with the By-Laws.

Until the first meeting of the Condominium Board elected by the Unit Owners, the insurance coverage will be in the amounts and with the deductibles set forth in Schedule B. The Condominium Board will review the insurance coverage on the Building annually. See Schedule B and its Footnotes for full details of the projected insurance coverage to be maintained by the Condominium Board during the first year of condominium operation.

Unit Owners are not prohibited from carrying other insurance for their own benefit, provided that such policies contain waivers of subrogation and that the liability of the carriers issuing insurance procured by the Condominium Board will not be affected or diminished by reason of any Unit Owner's other insurance. Unit Owners are encouraged to consider maintaining, at their own individual expense: (a) separate insurance on the contents (i.e., furniture and other personal property and belongings) in Units, in such amounts as will be adequate to insure against loss by reason of fire or other casualty, and (b) liability insurance against claims for personal injury or property damage resulting from occurrences in Units or any appurtenant Limited Common Elements.

Repair or restoration after fire or other casualty

Except as set forth in the next paragraph, if the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will arrange for the prompt repair and restoration thereof (including any damaged Units but excluding appliances, fixtures, furniture, furnishings or other personal property not constituting a part of such Unit).

If the insurance proceeds are insufficient to cover the cost of repairs and restorations, the Condominium Board may assess all Unit Owners for any deficit as a Common Expense. Any surplus insurance proceeds will be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment will be made to a Unit Owner until there has first been paid, out of his share of the funds, the amount necessary to

reduce unpaid liens on his Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

If seventy-five percent (75%) or more of the Building is destroyed or substantially damaged and if seventy-five percent (75%) or more of all Unit Owners, both in number and in Common Interests, do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and will 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 the resulting sale, together with the net proceeds of insurance policies, will be divided among all Unit Owners in proportion to their respective Common Interests. No payment, however, will be made to a Unit Owner until there has first been paid, out of his share of such funds, such amounts as may be necessary to discharge all unpaid liens on his Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens. If Sponsor or any Sponsor Successor is then a Unit Owner, it will have the right to vote at any meeting of Unit Owners called for the purpose of deciding whether or not to proceed with the restoration or repair of the Building.

Units acquired by the Condominium Board

All Units acquired or leased by the Condominium Board or its designee will be held by the Condominium Board or its designee on behalf of all Unit Owners. Any rent, purchase price, closing costs and closing adjustments payable in connection therewith will be assessed against all Unit Owners as a Common Expense. No Units acquired by the Condominium Board or its designee will carry voting rights.

Liability of the Condominium Board and the Unit Owners

The members of the Condominium Board shall act in accordance with their fiduciary obligations to all Unit Owners. The members of the Condominium Board will have no liability to Unit Owners for errors of judgment, negligence or otherwise, except that individual members will be liable for their own bad faith, willful misconduct or gross negligence. The Condominium Board may contract or effect other transactions with any member thereof, with any Unit Owner, with Sponsor, any Sponsor Successor or with any Affiliate of any of them at competitive rates without incurring any liability for self-dealing.

Every contract made by the Condominium Board, by an officer of the Condominium, or by the Managing Agent of the Building will contain a statement (if obtainable) that: (a) the contract is made only as agent for all Unit Owners, and the members of the Condominium Board or such officers, or Managing Agent will 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 will be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of the Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) the Unit Owner's ownership interest in his Unit and its appurtenant Common Interest, unless otherwise provided by Applicable Law.

All Unit Owners will severally indemnify each member of the Condominium Board against any liability or claim, contractual or otherwise, except those arising out of the bad faith or willful misconduct of such member or that are contrary to Applicable Law or the terms of the Declaration or the By-Laws. However, the liability of any Unit Owner on account of such indemnification will be limited to such proportionate share thereof as the Common Interest of the Unit Owner bears to the aggregate Common Interests of all Unit Owners and the Unit Owner's ownership interest in his Unit and its appurtenant Common Interest, unless otherwise provided by Applicable Law.

General indemnification obligations

Subject to any specific limitation on the liability of Unit Owners set forth elsewhere in the By-Laws or in the Declaration, pursuant to the By-Laws each Unit Owner (including Sponsor and any Sponsor Successor) will indemnify and hold harmless all other Unit Owners (including Sponsor and any Sponsor Successor) and the Condominium from and against all Claims which may be imposed upon or incurred by any of the foregoing by reason of: (i) any Work performed or required to be performed by such Unit Owner on or about the Property; (ii) any negligence, wrongful acts or omissions on the part of such Unit Owner or any of his Family Members, officers, directors, shareholder, partners, tenants, agents, contractors, servants, employees, licensees, or invitees; or (iii) any failure on the part of such Unit Owner to perform or comply with any of the terms or conditions contained in the Declaration or the By-Laws on its part to be performed or complied with. Notwithstanding anything to the contrary contained herein, in no event will

Sponsor be liable for the acts or omissions of any Sponsor Successor, except as specifically provided in the Plan or otherwise required by Applicable Law.

Subject to any specific limitation on the liability of the Condominium Board set forth elsewhere in the By-Laws or in the Declaration, pursuant to the By-Laws, the Condominium will indemnify and hold all Unit Owners, including Sponsor and any Sponsor Successor, harmless from and against all Claims which may be imposed upon or incurred by any of the Unit Owners and/or Sponsor and any Sponsor Successor by reason of: (i) any Work performed by the Condominium or the Condominium Board on or about the Property; or (ii) any negligence or wrongful acts or omissions on the part of the Condominium Board or any of its members, officers, agents, contractors, servants, employees, licensees, or invitees. The costs and expenses of the foregoing indemnification by the Condominium shall be a Common Expense.

Amendment of the By-Laws or the Declaration of Condominium requires the affirmative vote of not less than seventy five percent (75%) in number and in aggregate Common Interest of all Unit Owners.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sale and lease of Units: right of first refusal

EACH UNIT OWNER MAY SELL OR LEASE HIS UNIT BUT ONLY AFTER THE UNIT OWNER GIVES THE CONDOMINIUM BOARD PRIOR WRITTEN NOTICE OF HIS INTENTION TO DO SO, ACCOMPANIED BY A FULLY EXECUTED COPY OF THE CONTRACT OF SALE OR LEASE, CONTAINING ALL OF THE TERMS OFFERED IN GOOD FAITH BY THE PROSPECTIVE PURCHASER OR LESSEE. THE CONDOMINIUM BOARD, ON BEHALF OF ALL UNIT OWNERS, WILL HAVE THE EXCLUSIVE RIGHT TO ELECT, WITHIN TWENTY (20) DAYS AFTER RECEIPT OF THE NOTICE OF SALE OR LEASE (OR SUCH OTHER ADDITIONAL INFORMATION AS THE CONDOMINIUM BOARD SHALL REQUIRE) TO PURCHASE OR LEASE THE UNIT, ON THE SAME TERMS SET FORTH IN THE CONTRACT OR LEASE, AS MORE SPECIFICALLY SET FORTH IN THE BY-LAWS. If the Condominium Board does not notify the Unit Owner of its election to purchase or lease the Unit within the aforementioned twenty (20) day period, the Unit Owner will have sixty (60) days after the expiration of the twenty (20) day period to consummate the sale or lease in accordance with the terms stated in the contract of sale or lease appended to the

notice. Should such consummation not occur within such sixty (60) day period, the Unit Owner will again be required to offer the Unit to the Condominium Board as provided above. The foregoing obligations and restrictions do not apply to Sponsor, any Sponsor Successor, or any Units owned by Sponsor or any Sponsor Successor. The terms of any lease of any Unit, including the rent, are not subject to State or local law.

The Condominium Board may not exercise its option to lease or purchase any Unit without the prior approval of a Majority of Unit Owners. However, the Condominium Board has the right to release or waive any such option without prior approval of a Majority of Unit Owners. If approval is given, the Condominium Board may assess each Unit Owner (other than the selling Unit Owner), in proportion to his Common Interest, an amount necessary to effectuate the purchase or lease. In addition, the Condominium Board may, subject to the By-Laws and to applicable law, borrow the funds necessary to effectuate the purchase.

Notwithstanding the foregoing, the Condominium Board shall not have any right of first refusal with respect to any sale, lease or conveyance of a Unit, together with its Appurtenant Interest, by: (1) the Unit Owner of any Unit to certain of his adult Family Members (individually or in any combination), as more particularly set forth in the By-Laws, or, in the case of a Unit Owner that is not an individual, to any Affiliate of such Unit Owner, in each case without consideration; (2) Sponsor or any Sponsor Successor, with respect to any Unit owned by Sponsor or any Sponsor Successor or any of their Affiliates; (3) the Condominium Board; (4) virtue of the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; (5) any Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; or (6) the Unit Owner of such Unit by gift, will or intestacy; provided however, that, with regard to each of the foregoing exemptions (collectively, **"Exempt Transactions")**, each succeeding Unit Owner that is not otherwise exempt on his own merits shall be bound by, and his Unit shall be subject to, such right of first refusal.

The lease for any Unit other than an Exempt Transaction must be in substantially the form of lease then

approved by the Real Estate Board of New York, Inc., except for such changes thereto as are approved in writing by the Condominium Board as provided in the By-Laws, and must expressly provide that such lease may not be amended, modified or extended without the prior written consent of the Condominium Board and that the tenant thereunder may 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; and that the Condominium Board will have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the Unit Owner as landlord thereunder in the event of: (a) a default by the tenant in the performance of its obligations under such lease, or (b) a default by the Unit Owner in the performance of his obligations to the Condominium pursuant to the By-Laws, including but not limited to the payment of Common Charges or other amounts due to the Condominium, or (c) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Each conveyance of a Unit by a Unit Owner will include, as part of the property to be conveyed, the Unit Owner's: (i) Common Interest; (ii) undivided interest in any Unit or Units acquired by the Condominium Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and (iii) undivided interest in any other assets of the Condominium. In addition, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit, other than Permitted Mortgages, are paid and satisfied at or prior to closing. At the time of acquisition of a Unit and as a condition thereof, the new Unit Owner will be required to execute, acknowledge and deliver a Unit Owner's Power of Attorney in favor of the Condominium Board and Sponsor, in the form set forth in Part II of this Plan.

Upon accepting the deed to a Unit, each Unit Owner will under the terms of the Declaration be deemed to have consented to a building wide allocation to all Units of any and all real estate tax exemptions and/or tax abatement benefits pertaining to the Property pursuant to Applicable Law; same allocation to be apportioned in the same ratio that the Common Interest of such Unit Owner's Unit bears to the aggregate Common Interests of all Units; to have waived and relinquished any and all rights to challenge or contest such allocation in any manner or form; and to have released and discharged all other Unit Owners, their heirs, successors and assigns, the Condominium

Board, Sponsor, any Sponsor Successor and the City of New York from any and all acts, claims, damages or demands of any nature whatsoever which such Unit Owner, his heirs, successors or assigns ever had, may have, or will have against the other Unit Owners, the Condominium Board, Sponsor, any Sponsor Successor or the City of New York, with respect to the aforesaid allocation.

Notwithstanding anything to the contrary contained in this Plan, neither Sponsor nor any Sponsor Successor will be obligated to pay any transfer fee or service fee, whenever enacted, to the Condominium or Managing Agent with respect to the sale or leasing in whole or in part of any Unsold Unit.

The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

Mortgages of Units

Each Unit Owner may mortgage his Unit, provided that the Unit Owner first complies with the conditions set forth in the By-Laws. As more fully set forth therein, these conditions include the requirements that: (a) the mortgage be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan; (b) the Condominium Board is notified in writing of the making of such mortgage and is given a copy thereof; and (c) the Unit Owner making such mortgage is not in arrears for Common Charges or other amounts payable to the Condominium and first satisfies all other unpaid liens against his Unit other than Permitted Mortgages. Notwithstanding the above, Sponsor or any Sponsor Successor will have the right to mortgage their Units without any restriction or limitation, except that the Condominium Board must be notified in writing of the making of the mortgage and must be given a copy thereof.

Common Charges: assessment, collection and lien for non-payment

The Condominium Board will prepare and distribute to all Unit Owners, at least annually, a budget setting forth its projection of the Common Expenses for the coming fiscal year of the Condominium. Such Common Expenses will include, among other things: (a) all costs and expenses in connection with the operation and maintenance of and performance of any work in and

to the Common Elements; (b) water charges and sewer rents in connection with the Property (unless separately assessed to individual Units); (c) real estate taxes and assessments levied with respect to the Property (until separately assessed to individual Units); and (d) amounts for such other items as the Condominium Board may deem proper (such as amounts for working capital and general operating and replacement reserves, to make up deficits for prior years, to prepay indebtedness of the Condominium or to purchase or lease Units). Based upon this budget, the Condominium Board will promptly determine, and advise each Unit Owner of, the Common Charges payable by the Unit Owner during the ensuing fiscal year representing a portion of the projected Common Expenses of the Condominium assessed to the Unit Owner prorated according to the Common Interest of his Unit.

Pursuant to the By-Laws, the Condominium Board has the right to revise its projection of the Common Expenses at any time and from time to time during any fiscal year of the Condominium. Any revision may result in an increase or decrease in the amount of Common Charges payable by Unit Owners during the fiscal year. However, no such revision will have a retroactive effect on the amount of Common Charges payable by Unit Owners prior to the date of the new determination. Notwithstanding the foregoing, the Condominium Board will not reduce the Common Charges payable during any 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 for the Property on the date of recording the Declaration, or eliminating or reducing any service or reducing 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 or any Sponsor Successor.

In addition, the Condominium Board will have the right, subject to certain restrictions set forth in the By-Laws, to levy Special Assessments to meet the Common Expenses. All Special Assessments will be levied against all Unit Owners in proportion to their respective Common Interests and may be payable either in one lump sum or in installments, as the Condominium Board shall determine. The Condominium Board shall have all rights and remedies, pursuant to the By-Laws and Applicable Law, with regard to the non-payment of Special

Assessments as it possesses with regard to the non-payment of Common Charges.

Unless otherwise determined by the Condominium Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month. No Unit Owner will be relieved from liability for the payment of his Common Charges by waiving the use of any of the Common Elements or by mere abandonment of his Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a permissible sale, transfer or other conveyance by him of his Unit.

Any Unit Owner may, by conveying his Unit, without consideration, to the Condominium Board and complying with certain conditions set forth in the By-Laws in connection therewith, exempt himself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and Special Assessments then due and payable with respect to his Unit and the Unit's being free and clear of all liens and encumbrances other than Permitted Mortgages and any statutory lien for unpaid Common Charges.

On resale of any Unit, the Purchaser will be required to pay unpaid Common Charges assessed against the Unit prior to his acquisition, except that a mortgagee acquiring title to a mortgaged Unit or a Purchaser at a mortgage foreclosure sale will not be liable, and the mortgaged Unit will not be subject to, a lien for the payment of any Common Charges assessed subsequent to the recording of the mortgage and prior to the acquisition of title to the Unit by the mortgagee or a Purchaser at a mortgage foreclosure sale. If the Condominium Board forecloses its statutory lien on any Unit for unpaid Common Charges and the net proceeds of the foreclosure sale are not sufficient to pay the unpaid Common Charges, or if such Unit is acquired by a mortgagee or Purchaser at a mortgage foreclosure sale, then, in either event, the defaulting Unit Owner will remain personally liable for the balance of the unpaid Common Charges. The Condominium Board will have the right to assess the unpaid balance among all those who are Unit Owners at the time that the assessment is levied.

Under the provisions of Section 339-z of the Condominium Act and under the By-Laws, the Condominium Board will have a lien, on behalf of all Unit Owners, on each Unit for

unpaid Common Charges assessed against the Unit together with interest thereon. All such liens, however, will be subordinate, to the extent required by Applicable Law, to any liens for real estate taxes and assessments on the Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a notice thereof in the Register's Office and until all sums secured thereby, with accrued interest, are fully paid, or until six years from the date of filing (unless foreclosure of the lien is started within such six-year period) whichever will be sooner. Such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property, or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing the lien.

In addition, the Condominium Board will also have a lien on each Unit for the replenishment of the funds required to be deposited by Purchasers of Units occupied by non-purchasing tenants, as set forth in the section of the Plan entitled **"Obligations of Owners of Dwelling Units Occupied by Non-Purchasing Tenants"**.

Under Section 339-kk of the Condominium Act, the Condominium will have the right to demand that, with regard to any Unit occupied by a tenant whose Unit Owner is in arrears in the payment of Common Charges or assessments to the Condominium, such tenant pay his/her rent directly to the Condominium to be credited against the Common Charges or assessments owed by such Unit Owner to the Condominium, in addition to all other rights and remedies that the Condominium may have against the Unit Owner.

Repairs and maintenance of Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, in or to any Unit (other than the Common Elements contained therein) will be performed by the Unit Owner at his sole cost and expense, or if in or to the General Common Elements will be performed by the Condominium Board as a Common Expense, or if in or to any Limited Common Element will be performed either by the Condominium Board as a Common Expense, if involving structural or extraordinary maintenance, repair or replacement, or by the Unit Owner having direct and

exclusive access thereto at his sole cost and expense, if involving painting, decorating and non-structural ordinary maintenance, repairs and replacements.

In connection with the foregoing, it should be noted that each Unit Owner is responsible at his own cost and expense for washing and cleaning the exterior glass surfaces of all windows of his Unit. It is also noted that the Rules and Regulations require eighty (80%) percent of the floor area of each Unit (except for kitchens, bathrooms, closets and foyers) to be covered with rugs, carpeting or other equally effective noise reducing material.

Notwithstanding the foregoing, all maintenance, repairs and replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, necessitated by the negligence, misuse or abuse of a Unit Owner, or by any agent, contractor, licensee, invitee, Family Member, tenant, co-occupant or guest of such Unit Owner, will be made by such Unit Owner at his sole cost and expense.

The By-Laws require that each Unit, any Limited Common Elements appurtenant thereto, and all portions of the Common Elements, be kept in first-class condition (and, with respect to any terrace or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. The By-Laws further require that those public or other areas of the Building that are exposed to public view (whether they are required to be maintained by a Unit Owner or by the Condominium Board) be kept in good appearance in conformity with the dignity and character of the Property by such Unit Owner or the Condominium Board, as the case may be. In the event that any Unit Owner shall fail to keep his Unit or any appurtenant Limited Common Element in good condition, the Condominium Board may, at the expense of such Unit Owner, enter the Unit or any such appurtenant Limited Common Element to perform any acts necessary to cure the default.

Rights of access

As more fully set forth in the By-Laws, the Condominium Board, the Managing Agent, the superintendent and other Persons authorized by the Condominium Board will have a

right of access to any Unit for the purposes, among others, of making inspections of, or removing violations of Applicable Law against any part of, the Property, curing defaults committed by a Unit Owner under the Condominium Documents or correcting any conditions originating in any Unit and threatening another Unit or any Common Element. In addition, Sponsor and any Sponsor Successor, and their respective contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of performing certain Work in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan.

Alterations and improvements of Units and Common Elements

No Unit Owner (except Sponsor and any Sponsor Successor) may perform any structural Work in or to his Unit or any appurtenant Limited Common Element without the prior written approval of the Condominium Board. Such approval may be conditioned, in the discretion of the Condominium Board, upon any reasonable condition, including but not limited to the execution of an agreement by the Unit Owner, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions upon which such Work may be performed. Except as otherwise provided in the By-Laws, no Unit Owner may perform any Work in or to the Common Elements.

Notwithstanding the foregoing, Sponsor and any Sponsor Successor will have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owners or Permitted Mortgagees, Mortgage Representatives or any other mortgagees to: (a) perform Work in or to any Unsold Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (b) subdivide, combine and change the boundary walls of Unsold Units; provided, however, that these actions comply with Applicable Law and do not impinge upon the Common Elements appurtenant to a Unit. See the Section of the Plan entitled **"Changes in Price, Sizes, Layouts and Number of Units."**

At the request of Sponsor or any Sponsor Successor, the Condominium Board will execute any application or other document required to be filed with any Governmental Authority having or asserting jurisdiction in connection with any Work proposed to be performed by Sponsor or any Sponsor Successor, at

which time Sponsor or any Sponsor Successor (as the case may be) will indemnify and hold harmless the Condominium Board and the Unit Owners from any expense or liability by virtue of the execution of such application or other document.

Insurance

See Schedule B and the footnotes thereto, as well as the Section of the Plan entitled **"Rights and Obligations of Condominium Board/Summary of By-Laws"**, as well as Article V, sections 2 and 3 of the By-Laws, for a description of the insurance coverage provided by the Condominium Board, and Unit Owners' rights and obligations with regard to obtaining supplemental or additional insurance. Schedule B contains a summary of the insurance coverage which will be in effect at the First Unit Closing.

Restrictions on the use of Units

As more fully set forth in the Declaration and in the By-Laws, each Unit may be used only as a residence (except as otherwise described herein, and subject to Applicable Law), and not more than one family may occupy a Unit at one time. Notwithstanding the foregoing, Sponsor and any Sponsor Successor (or, when Sponsor and any Sponsor Successor no longer owns any Units, the Condominium Board) may, in their sole discretion, consent to the use of any Unit as a professional or business office, or for any home occupation use or for any purpose, provided that the nature and manner of such use complies with Applicable Law. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of Sponsor, Sponsor Successor or the Condominium Board (as the case may be) before using such Unit for any purpose other than as a residence.

Sponsor and any Sponsor Successor may, for so long as either own any Units in the Condominium, without the consent of either the Condominium Board or any other Unit Owners, use or grant permission for the use of any Unsold Unit as a professional or business office or for any other purpose, including, without limitation, use of any one or more Unsold Units as model units and offices for the sales, promotions, management and operation of its Units, or lease its Units to third parties for their occupancy, provided only that the nature

and manner of such use complies with Applicable Law and does not violate the then existing certificate of occupancy for the Property.

A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, or any other Person may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by an individual member of such limited liability company or an officer, director, stockholder, partner or employee or individual member of any corporate, partnership or limited liability company member of such limited liability company, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries and members or employees of limited liability company fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other Person, respectively, or by Family Members or guests of any of the foregoing; however, nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests. Notwithstanding the foregoing, the Condominium Board may, in its sole discretion, permit Persons other than those set forth above to occupy a Unit. In no event, however, shall only a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this paragraph) may be accommodated therein.

No nuisance, or immoral, improper, offensive or unlawful use will be allowed in the Building or any portion thereof. All Applicable Laws relating to any portion of the Property will be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whomever has the obligation to maintain or repair such portion of the Property under the terms of the Declaration and the By-Laws.

No Unit Owner will cause or permit any Hazardous Materials to be used, stored, transported, released, handled, produced or installed in, on or from its Unit or the Property, other than substances used in de minimis quantities in household cleaning products and generated, stored, handled and used in compliance with Applicable Law. It will be the obligation of each Unit Owner to comply (at its sole cost and expense) with all Applicable Laws with respect to Hazardous Materials in its

Unit or in connection with any Work performed by or on behalf of such Unit Owner at the Property.

The sidewalks, entrances, lobby, passages, public halls, elevators, vestibules, corridors, stairways or any other part of the Common Elements (except for those areas designated as storage areas) must not be obstructed or used for any purpose other than ingress to and egress from the Units. No vehicle belonging to a Unit Owner, to a Family Member of a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee or agent of a Unit Owner may be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from, the Property.

No velocipedes, bicycles, scooters, baby carriages, or similar vehicles are allowed to stand in the public halls, passageways or other public areas of the Property.

No public hall, lobby, vestibule, elevator, corridor, stairway or any other part of the Common Elements (other than any area designated as a Limited Common Element) may be decorated or furnished by any Unit Owner in any manner.

No article (including, but not limited to, garbage cans, bottles or mats) may be placed or stored in any of the passages, halls, vestibules, elevators, corridors, or on any of the staircases or fire stair landings of the Property, or any other part of the Common Elements, nor may any fire exit thereof be obstructed in any manner.

All service and delivery persons are required to use such entrance procedures as shall be designated by the Condominium Board.

Trunks and heavy baggage must be taken in or out of the Property only in the manner designated by the Condominium Board or the Managing Agent for that purpose.

The laundry and drying facilities in the laundry room of the Property are to be used in such manner and at such times as the Condominium Board or the Managing Agent shall direct. No clothes, sheets, blankets, laundry, or other articles of any kind may be hung on or out of a Unit or shall be dried or aired on any open terrace.

To the extent that they may exist in the Building, storage areas, if any, that are not part of, or attached to, or made a Limited Common Element appurtenant to any, particular Unit may be used by all Unit Owners, in common, only for the storage of trunks, bags, suitcases and packing cases, all of which must be empty, and for the storage of such other articles as the Condominium Board, in its sole discretion, may determine from time to time. Supervision, management and control of the use of any such storage areas will be vested in the Condominium Board. The use of any such storage areas will be at the sole risk of the Unit Owner or other Person using them, and the Condominium Board, its agents or the Managing Agent will not be liable for any injury to person, loss by theft or otherwise, or damage to property, whether due to the negligence of the Condominium Board, its agents, the Managing Agent or otherwise.

All refuse from Units must be deposited by Unit Owners in those areas of the Property provided for that purpose at such times and in such manner as the Condominium Board or the Managing Agent shall direct. Nothing may be hung or shaken from any doors, windows or open terraces, or placed upon the window sills of the Property, and no Unit Owner may sweep or throw or permit to be swept or thrown, any dirt, debris or other substance therefrom. All Applicable Laws relating to recycling must be complied with; in the event that the Condominium shall incur any fine, penalty or expense as a result of non-compliance by a Unit Owner (or an occupant of his Unit) with any such Applicable Law relating to recycling, the cost thereof shall be paid or reimbursed by such Unit Owner to the Condominium Board.

There will be no playing or lounging in the entrances, passages, public halls, vestibules, elevators, corridors, stairways, fire towers or other Common Elements of the Property, except in any recreational areas or other areas that may be designated as such in the Declaration or by the Condominium Board.

The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements used for storage, recreational or service purposes in the Property, without any diminution in the Common Charges payable by any Unit Owner.

Nothing may be done or kept in any Unit or in the Common Elements that shall increase the rate of insurance on the Property, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner may permit anything to be done or kept in his Unit or in the Common Elements that will result in the cancellation of insurance on the Property, or the contents thereof, or that would be in violation of any Applicable Law.

No Unit Owner or any of his Family Members, agents, servants, employees, licensees or guests may at any time bring into or keep in his Unit any flammable, combustible or explosive fluid, material, chemical or substance, except as is necessary and appropriate for the permitted uses of such Unit.

No barbecuing or open-flame cooking shall occur in any Unit, or in any Common Element, including but not limited to any Limited Common Element.

No Unit Owner may make, cause or permit any unusual, disturbing or objectionable noises, activities or odors to be produced upon or to emanate from his Unit or any appurtenant Limited Common Element or permit anything to be done therein that interferes with the rights, comforts or conveniences of the other Unit Owners. No construction, repair work, or other installation involving noise may be conducted in any Unit except on weekdays (excluding Holidays) and only, between the hours of 8:00 a.m. and 5:00 p.m., without prior written consent of the Condominium Board, unless such construction or repair work is necessitated by an emergency.

No bird, reptile or other animal shall be permitted in any Common Element of the Building unless carried or on a leash. No pigeons or other birds or other animals may be fed from the window sills, patios, terraces, or other public portions of the Property, or on the sidewalk or street adjacent to the Property.

No Unit Owner may install any plantings on any terrace without the prior written approval of the Condominium Board, pursuant to any applicable Rules and Regulations as may be adopted by the Condominium Board from time to time. All plantings and planters must comply with all Applicable Laws governing weight, size and soil composition.

In the event that any Unit shall be used for home occupation purposes in conformity with the Declaration and the By-Laws and pursuant to Applicable Law, no patients, clients or other invitees of the Unit Owner thereof shall be permitted to wait in any lobby, public hallway or vestibule.

Unless expressly authorized by the Condominium Board in each instance, not less than eighty (80%) percent of the floor area of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

No window guards or other window decorations may be used in or about any Unit, except such as will have been approved in writing by the Condominium Board or the Managing Agent, which approval will not be unreasonably withheld or delayed. In no event, however, may any exterior glass services of any windows at the Property be colored or painted.

No ventilator or air-conditioning device may be installed in any Unit without the prior written approval of the Condominium Board, which approval will not be unreasonably withheld or delayed.

No radio or television aerial, satellite dish or other signal-receptive device may be attached to or hung from the exterior of the Property, and no sign, notice, advertisement or illumination (including, without limitation, **"For Sale"**, **"For Lease"** or **"For Rent"** signs) shall be inscribed or exposed on or at any window, door, or other part of the Property, except as such are permitted pursuant to the terms of the Declaration and/or the By-Laws or as are approved in writing by the Condominium Board or the Managing Agent. Nothing may be projected from any door or window of a Unit without similar approval.

All radio, television, computer or other electrical equipment of any kind or nature installed or used in each Unit must fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction. The Unit Owner alone will be liable for any damage or injury caused by any radio, television or other electrical equipment in his Unit or any appurtenant Limited Common Element.

Water-closets and other water apparatus in the Property may not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article may be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit will be repaired and paid for by the Unit Owner of such Unit.

Each Unit Owner must keep his Unit and any appurtenant Limited Common Element in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

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 Unit or any appurtenant Limited Common Element at any reasonable hour of the day, on at least one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination will be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes. However, in the event that any access to a Unit or any appurtenant Limited Common Element shall be necessary in the event of an emergency of any nature, no prior notice shall be required.

The Condominium Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent will be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under the 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 Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care under the circumstances is given to such Unit Owner's property).

If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his agent, servant, employee, licensee or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key will be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent will be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

No occupant of the Property may send any employee of the Condominium or of the Managing Agent out of the Property on any private business.

Corridor doors must be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

The area of the roof immediately above Unit 5B (and having the same dimensions as Unit 5B) shall be deemed a Limited Common Element appurtenant to that Unit. Except for such area above such Unit, no roof-top areas of the Property may be used at any time or for any reason by Unit Owners, their Family Members, guests, servants, employees, agents, guests or licensees, other than with the prior written consent of the Condominium Board in each instance.

No rescission, alteration, waiver or addition of any Rule or Regulation in respect of one Unit Owner or other occupant will operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

<u>New Federal regulations on lead-based paint</u>.

The Lead-Based Paint Regulations recently adopted by the United States Department of Housing and Urban Development and the Environmental Protection Agency apply to all owners of co-operative and condominium units in "Target Housing", which is defined to include the Unit Owners of the Property. Such regulations seek to promote disclosure, and do not require an owner to positively test for the presence of lead-based paint and do not impose a duty to abate, contain, remove or correct lead-based paint conditions or hazards.

However, Applicable Laws adopted by the City of New York (including but not limited to Local Law 38) do require the owner of a multiple dwelling to remove or cover specified hazardous lead-based paint or other similar surface-coating material on the interior walls, ceilings, doors, windowsills or moldings in any dwelling unit in which a child six years old or younger resides. Under such local Applicable Law, peeling paint on such surfaces of a residential apartment in any multiple dwelling built prior to 1960 (which includes the Property) is presumed to be hazardous. In addition, if such apartment is occupied by a child six years old or younger, the peeling paint constitutes a Class C immediately hazardous violation, subjecting the owner of the multiple dwelling to penalties. Such presumption is rebuttable.

Self-help

If any Unit Owner shall fail to maintain or repair any part of the Property required to be maintained or repaired by such Unit Owner, or in the event of any breach of any requirement set forth in the Condominium Documents, then, as set forth in the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at the Unit Owner's expense.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following summary is for informational purposes only and is based upon information provided by Sponsor's Counsel, Belkin Burden Wenig & Goldman, LLP, in its opinion set forth in the Section of the Plan entitled **"Opinion of Counsel"**.

Each Unit Owner will own his Unit, together with its appurtenant Common Interest, in fee simple, and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Because each Unit Owner will own his Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Sponsor's Counsel that, under present law, under certain circumstances Unit Owners who use their Units for residential purposes will, for Federal income

tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the taxable year in which the same are paid or accrued. It is also the opinion of Sponsor's Counsel that, under present law, under certain circumstances each Unit Owner will, for New York State and New York City income tax purposes, be entitled to the same deduction that is allowed for Federal income tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year.

The aforesaid deductions, however, are subject to certain exceptions and limitations, which are more particularly discussed in the income tax opinion set forth in the Section of the Plan entitled **"Opinion of Counsel."**

Under Section 528 of the Internal Revenue Code, the Condominium Board may be eligible to elect for the Condominium to be exempt from Federal income tax on Common Charges collected from the Unit Owners provided that the requirements of Section 528 are met. However, because of certain tests for qualification, including the composition of the Condominium's receipts and expenditures, and because of certain ambiguities in the language of Section 528 which are not clarified by the legislative history, rulings, or regulations, it is not presently possible to determine the application of Section 528 to the Condominium. Accordingly, while a Section 528 election may be contemplated, such an election may not be applicable to the Condominium. If an election under Section 528 is not available or in effect for a taxable year, the tax status of the Condominium will be governed by the rules in effect prior to the enactment of Section 528. Purchasers should note that, if the Condominium does not qualify for the election under Section 528, no monies have been set aside for possible taxes arising therefrom. Please see the Section of the Plan entitled **"Opinion of Counsel."**

Common Charges will be borne by the Unit Owners and assessed and collected by the Condominium Board. See the income tax opinion in the Section of the Plan entitled **"Opinion of Counsel"** for a further discussion of the tax status of the Condominium.

No representations or warranties are made that the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance will allow any of the aforementioned deductions or that the tax

laws, or the regulations or rulings issued thereunder, or any judicial interpretation thereof upon which Sponsor's Counsel has based its income tax opinion will not change. In no event will Sponsor, the Selling Agent, the Managing Agent, Sponsor's Counsel, or any other person connected with this offering be liable if, at any time or for any reason, it is held that the Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid make any representations or warranties with respect to the tax consequences of this Plan or the tax consequences or ownership of any Units offered under the Plan, and no one has been authorized to make such representations or warranties.

NO WARRANTIES ARE MADE THAT THE INTERNAL REVENUE SERVICE, THE DEPARTMENT OF TAXATION AND FINANCE OF THE STATE OF NEW YORK OR THE DEPARTMENT OF FINANCE OF THE CITY OF NEW YORK WILL ALLOW INCOME TAX DEDUCTIONS. FURTHER, NO WARRANTIES OR REPRESENTATIONS ARE MADE THAT THE TAX LAWS UPON WHICH SPONSOR'S COUNSEL BASES ITS OPINION WILL NOT CHANGE AND IN NO SUCH EVENT WILL SPONSOR, THE SELLING AGENT, THE MANAGING AGENT, SPONSOR'S COUNSEL, THE CONDOMINIUM BOARD, COUNSEL TO THE CONDOMINIUM BOARD OR ANY OTHER PERSON CONNECTED WITH THIS OFFERING BE LIABLE IF FOR ANY REASON IT SHALL BE DETERMINED THAT UNIT OWNERS DO NOT MEET OR AT ANY FUTURE TIME CEASE TO MEET THE REQUIREMENTS OF THE INTERNAL REVENUE CODE, THE NEW YORK STATE TAX LAW, THE NEW YORK CITY ADMINISTRATIVE CODE OR ANY AMENDMENT TO ANY OF THEM. MOREOVER, NONE OF THE AFORESAID MAKES ANY REPRESENTATIONS, GUARANTEES OR WARRANTIES WITH RESPECT TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF ANY UNIT OFFERED UNDER THE PLAN EXCEPT AS EXPRESSLY SET FORTH HEREIN, AND NO ONE ELSE HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS, GUARANTEES OR WARRANTIES OTHER THAN THOSE CONTAINED HEREIN.

EACH PURCHASER SHOULD CONSULT HIS OWN TAX ADVISOR AS TO THE TAX CONSEQUENCES OF THE PLAN AND OF UNIT OWNERSHIP.

BELKIN BURDEN WENIG & GOLDMAN, LLP

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September 23, 2005

452 West Company
c/o Z & R Management
1623 Third Avenue
New York, New York 10128

Re: The 452 West 19 Condominium

Gentlemen:

You have requested our opinion concerning: (i) the availability of certain deductions for Federal, New York State and New York City income tax purposes to persons who purchase for residential use ("Unit Owners") residential units ("Units") in The 452 West 19 Condominium (the "Condominium"), at 452 West 19th Street, New York, New York (the "Property"), which Property is being converted to condominium regime pursuant to an offering plan to be filed with the New York State Department of Law (the "Plan"), (ii) the treatment for such income tax purposes of the common charges to be paid or borne by such Unit Owners, and (iii) compliance with Real Property Law section 339-i in the allocation of Common Interest percentages to each Unit in the Condominium.

In connection with rendering this opinion, we have reviewed the Plan, relevant sections of the Internal Revenue Code of 1986 (the "Code"), the New York State Tax Law (the "State Tax Law"), the New York State Real Property Law (the "RPL"), the Administrative Code of the City of New York (the "City Code"), the regulations promulgated under each of the foregoing, regulations promulgated by the New York State Department of Law, and such other materials as we have deemed relevant. Except where otherwise indicated, the terms used in this opinion have the same meanings as in the Plan.

The opinions expressed herein do not apply to Units that are purchased for other than residential use, or non-residential Units such as Commercial Units.

I. DEDUCTIBILITY OF MORTGAGE INTEREST AND REAL ESTATE TAXES

A Unit Owner will own his Unit and its appurtenant interest in the Common Elements in fee simple. Therefore, each Unit Owner may mortgage his/her Unit and become individually liable for the payment of any finance charges or interest on such mortgage indebtedness. Also, each Unit will be taxed as a separate tax lot for real estate tax purposes.

In our opinion, a Unit Owner will, for Federal income tax purposes, be entitled to a deduction for mortgage interest under Section 163 and real estate taxes paid under Section 164, in the year paid in the case of cash basis taxpayers, or in the year accrued in the case of other taxpayers. Rev. Rul. 64-31, 1964-1 Cum Bull. 300. The deductibility of interest is also subject to Section 461(g) of the Code which states that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than "points" or origination fees paid in certain cases).

It is also our opinion that each Unit Owner will, for New York State and New York City income tax purposes, be entitled to the same deduction which is allowed for Federal income tax purposes for mortgage interest and real estate taxes, in the case of cash basis taxpayers paid, or, in the case of other taxpayers, accrued, during the taxable year paid or accrued, as the case may be. Section 615 of the State Tax Law; Section T46-115.0 of the City Code. It should be noted, however, that for New York State and New York City income tax purposes, the deduction may be reduced if the Unit Owner has more than a specified amount of tax preference items. Sections 615, 622 and 623 of the State Tax Law; Sections T46-115.0, T46-122.0 and T46-123.0 of the City Code.

II. COMMON CHARGES

Common Charges will be borne by all Unit Owners of the Condominium and assessed and collected by the Board of Managers.

Under Section 528 of the Code, the Board of Managers may be eligible to elect for the Condominium to be exempt from Federal income tax on Common Charges collected from the Unit Owners provided that the requirements of Section 528 are met. However, because of certain tests for qualification, including the composition of the Condominium's receipts and expenditures, and because of certain ambiguities in the language of Section 528 which are not clarified by the legislative history, rulings, or regulations, it is not presently possible to determine the application of Section 528 to the Condominium. Accordingly, while a Section 528 election may be contemplated, it is not possible at this time to express an opinion as to the Section's applicability with regard to the Condominium. Furthermore, we understand that New York State and New York City may follow the Federal income tax treatment of condominium associations, such as the Condominium, for purposes of imposing their respective income taxes (including the minimum amounts payable without regard to income) on such associations.

If an election under Section 528 is not available or in effect for a taxable year, the tax status of the Condominium will be governed by the rules in effect prior to the enactment of Section 528.

The By-Laws provide that the Board of Managers will act as the agent of the Unit Owners. Thus, the Board of Managers may take the position that it is simply a conduit for receipts and payments of the Unit Owners for whom it acts as agent and the Condominium is thus not a separate entity. In such case, the Unit Owners would themselves be taxable on any interest or similar income which is earned from interim investments of the amounts which are assessed and collected from the Unit Owners.

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Board of Managers, such as the assessment and expenditure of Common

Charges, the Unit Owners (through the Board of Managers) constitute an association taxable as a corporation. See Code Section 7701(a)(3); Treas. Reg. Sec. 301.7701-2; Treas. Reg. Sec. 301.7701-3(b)(2)(B). In such event, such an association may be deemed subject to the Federal corporate income tax (and, therefore, to New York State and New York City corporate income taxes, as well) on the portion of the Common Charges which is deemed to constitute gross income of such association, to the extent that such portion (together with any income earned from other sources, such as interim investments of funds by such association) exceeds the current expenses paid or incurred through the association which are deductible for Federal income tax purposes. In such case, the Condominium would likewise be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax.

In this regard, published rulings indicate that Common Charges which are assessed by a Condominium and designated for use solely to make specified capital improvements and which are maintained in a separate bank account should not constitute gross income to its Board, either because it is deemed to receive and hold such Common Charges as agent for the Unit Owners from whom the assessments were collected (Rev. Rul. 75-370, 1975-2 Cum. Bull. 25) or because the assessed Common Charges are deemed to be non-taxable contributions to the capital of the association (Rev. Rul. 75-371, 1975-2 Cum. Bull. 25) (cf. Concord Village, Inc., 65 T.C. 14 (1975)). However, if treated as contributions to the capital of the association, it should be noted that when such amounts (together with any other funds accumulated by the association) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be subject to tax on his/her pro-rata share of the amounts expended.

In the event that the Condominium shall be required to pay any Federal, New York State or New York City income tax, and the Board of Managers shall make an additional assessment in order to meet this tax liability, it should be noted that the additional amount collected through such assessment may itself be subject to tax. See Old Colony Trust Co. v. Commissioner, 279 U.S. 716 (1929); Rev. Rul. 74-75, 1974-1 Cum. Bull. 19.

III. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

The Common Interest percentages allocated to each Unit in the Condominium have been allocated in the manner prescribed by RPL section 339-i(1)(iv): based on each Unit's floor space, subject to the location of such Unit, such Unit's relative value to other space in the Condominium, the uniqueness of such Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of such Unit. The foregoing method complies with RPL section 339-i(1)(iv) and, as such, it is our opinion that the allocation of Common Interest percentages is appropriate pursuant to such statute.

IV. GENERAL

No representations or warranties are made that the Internal Revenue Service, the New York State Department of Taxation and Finance, or the Department of Finance of the City of New York will allow any of the aforementioned deductions or that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which we, as counsel to the Sponsor, base our opinion, will not change. In no event will we be liable if at any time, for any reason, it is held that the Unit Owners, or any of them, are not entitled to such income tax deductions.

We express no views as to any Federal, New York State and/or New York City tax consequences or as to any aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion or as to the tax status and tax consequences of the Plan under the laws of any other United States or foreign jurisdiction. This opinion does not deal with tax consequences which may result from ownership of a Unit in connection with the Unit Owner's trade or business or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his/her foreign status. This opinion also does not deal with the tax consequences which may arise if Units are acquired and/or leased by the Board of Managers, or with respect to whether a Unit Owner may be deemed a resident of New York City due to ownership

of a Unit. This opinion does not deal with tax consequences which may result from ownership of unsold or occupied Units. We therefore strongly advise each person contemplating the purchase of a Unit to consult his/her own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

We make no warranty or representation that the Internal Revenue Service, the New York State Department of Taxation and Finance, or the Department of Finance of the City of New York will accept any or all of the views stated above. Moreover, the Federal, State and City tax laws and Regulations (and the rulings and decisions thereunder) may change from time to time, thereby affecting the views stated above in whole or in part.

We consent to the filing of this opinion as an Exhibit to the Plan and to the reference to our name under the appropriate caption in the Plan.

Very truly yours,

BELKIN BURDEN WENIG & GOLDMAN, LLP

Belkin Burden Wenig & Goldman

REAL ESTATE TAXES

After the New York City taxing authorities separately assess the Units for real estate tax purposes, each Unit will be taxed as a separate tax lot. No Unit Owner will be responsible for the payment of, nor will his Unit be subjected to, any lien arising from the non-payment of real estate taxes on any other Unit.

Purchasers should note that delays are anticipated in obtaining separate assessment of the Units by the New York City taxing authorities, and it is likely that the Units will not be separately assessed for real estate tax purposes until some time after the First Unit Closing.

If the Units have not been separately assessed for real estate tax purposes prior to the First Unit Closing, then at the Closing of the purchase of each Unit, the purchaser thereof will be required to deposit with the Condominium Board an amount equal to ONE HUNDRED AND TWENTY FIVE PERCENT (125%) of the Unit's proportionate share, based on its Common Interest, of the aggregate real estate taxes assessed for the entire Property for the tax year during which such Closing shall occur, in a sum sufficient to permit the Condominium Board to pay the proportionate real estate taxes due for such Unit on the next-ensuing two quarterly, or one semi-annual, tax payment due dates (as the case may be) for the Property. In the event that the amount of such deposit shall be insufficient to pay such proportionate real estate taxes due for such period(s), or in the event that the Units shall not have been separately assessed for real estate tax purposes prior to the tax payment due date next following such period(s), then the Condominium Board shall impose on, and collect from, each Unit Owner a Special Assessment in an amount sufficient to enable the Condominium Board to pay the real estate taxes due for such Units on all ensuing real estate tax payment due dates until the Units shall have been separately assessed for real estate tax purposes.

The assessed valuation, tax rates, and real estate taxes payable to the New York City Department of Finance with regard to the property during recent tax years have been as follows:

Tax Year	Assessed Valuation	Tax Rate	Tax
2001/2002	$ 886,061	10.85%	$ 96,111
2002/2003	$1,084,500	10.80%	$117,126
2003/2004	$1,123,200	12.52%	$140,625
2004/2005	$1,159,200	12.62%	$146,291

Real estate taxes for each Unit will be determined by the New York City taxing authorities in accordance with Applicable Law, based on several factors including but not limited to such Unit's assessed valuation and respective Common Interest. However, the real estate taxes payable with regard to each Unit may be different from the real estate taxes payable with regard to similar Units with the same Common Interest.

The Sponsor has regularly brought tax certiorari proceedings to adjust the assessed valuations and real estate taxes due with regard to the Property. Such proceedings are currently pending with regard to the current tax year, and for several tax years immediately preceding. Any award or favorable settlement that shall occur following the First Unit Closing: (i) with regard to any tax year preceding the tax year in which the First Unit Closing shall occur shall inure solely to the benefit of the Sponsor; (ii) with regard to any tax year following the tax year in which the First Unit Closing shall occur shall inure solely to the benefit of the Unit Owner(s) of such Unit for such year(s), including, if applicable, the Sponsor or Sponsor Successor; and (iii) with regard to the tax year in which the First Unit Closing shall occur shall be allocated and adjusted pro rata between the Sponsor and the Unit Owner(s) of such Unit(s).

The By-Laws provide that the Board of Managers shall be authorized by all Unit Owners to commence, prosecute and settle tax certiorari proceedings with regard to all Units for any tax year that shall commence following the First Unit Closing.

WORKING CAPITAL FUND;
CLOSING ADJUSTMENTS WITH CONDOMINIUM BOARD;
RESERVE FUND

Working capital fund

At the Closing of each Unit, the Purchaser thereof shall contribute to the Condominium Board for its working capital a sum equal to two months' Common Charges in respect of such Unit being purchased (the "**Working Capital Fund**").

The Working Capital Fund may be held or used for working capital, to make repairs and/or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Condominium Board in its sole discretion.

No representation is made that the Working Capital Fund will be, or is intended to be, adequate to cover expenses for the first or any subsequent year of condominium operation, including, without limitation, the cost of any necessary repairs or replacements. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase the Common Charges and/or to impose assessments on Unit Owners pursuant to the By-Laws.

THE PROPERTY IS OFFERED IN ITS CURRENT CONDITION AS SET FORTH IN THIS PLAN, WITHOUT ANY OBLIGATION ON THE PART OF SPONSOR OR THE SELLING AGENT OR MANAGING AGENT TO MAKE ANY REPAIRS OR IMPROVEMENTS. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND OR UPON THE PHYSICAL CONDITION OF THE BUILDING.

Closing adjustments with Condominium Board

Immediately prior to the First Unit Closing, Sponsor shall apportion the following items with the Condominium Board as of the day immediately preceding such closing:

(1) Rents as and when collected;

(2) employees' wages, vacation and severance pay, pension and welfare benefits and all other payments or obligations relative to the employees of the Building;

(3) fees for assignable permits and licenses, if any;

(4) cost of fuel;

(5) charges for electricity and gas for the Common Elements;

(6) payments under service and maintenance contracts and concession agreements;

(7) real estate taxes, water charges and sewer rents on the basis of the tax year for which assessed (unless separately assessed to individual Units);

(8) cost of supplies on hand at Sponsor's cost;

(9) premiums for transferable insurance policies provided coverage of the policies conforms to that set forth in Schedule B; and

(10) senior citizens' rent increase exemptions (if any).

Prepaid rent for a Unit will be credited to the Condominium Board, which in turn will credit such rent against the first Common Charges payable by the owner of such Unit. If the result of the closing adjustments is a net credit in favor of the Condominium, the Sponsor shall pay or credit the amount thereof to the Condominium at the First Unit Closing. If, however, the result of the closing adjustments is a net credit in favor of Sponsor, the amount of such net credit shall be paid to Sponsor at the time of the First Unit Closing out of the Working Capital Fund. In no event, however, shall such payments be made to Sponsor to the extent that they would result in the reduction of the Working Capital Fund to an amount less than $1,000. If, because of the limitation set forth in the preceding sentence, Sponsor is not paid the full amount of the net credit to which it is entitled, at the time of the First Unit Closing, the unpaid balance of the net credit in favor of Sponsor shall be paid to Sponsor by the Condominium Board, without interest, in twelve equal consecutive monthly installments pursuant to the terms of a negotiable promissory note to be executed by the Condominium Board at the First Unit Closing. The Condominium Board will be entitled to prepay such promissory note in full only, at any time and without penalty.

Reserve fund

Within thirty (30) days after the First Unit Closing, Sponsor will establish and transfer to the Condominium Board a Reserve Fund in an amount as set forth below, but in no event less than $165,200 initially. The Reserve Fund is established in order to comply with the requirements of Chapter 8 of Title 26 of the Administrative Code of the City of New York, a copy of which is set forth in Part II of this Plan. The Reserve Fund is required to be used exclusively for making capital repairs, replacements and improvements necessary for the health, welfare and safety of the residents of the Property. While Sponsor is in control of the Condominium Board, the Reserve Fund or Working Capital Fund may not be used to reduce projected Common Charges in the Plan.

The Reserve Fund will be established in accordance with the following provisions and conditions:

1) Definitions: The following terms shall have the meanings ascribed with respect to the Reserve Fund:

(1) "Total Price" means 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 this Plan, regardless of the number of sales made.

(2) "Capital Replacement" means (i) a building-wide replacement of a major component of any of the following systems: (a) elevator, (b) heating, ventilation and air conditioning, (c) plumbing, (d) wiring, (e) windows; or, (ii) a major structural replacement to the Building; provided, however, that replacements made to cure code violations of record shall not be included.

2) Amount of Reserve Fund: The Reserve Fund to be established within thirty (30) days after the First Unit Closing shall be in an amount equal to either:

(1) three percent (3%) of the Total Price; or

(2) (i) three percent (3%) of the actual sales prices of all Units sold by Sponsor at the time the Plan is declared effective (provided, however, that if such amount is less than one percent (1%) of the Total Price, then the fund shall be

established as a minimum of one percent (1%) of the Total Price, or $174,810); plus (ii) supplemental contributions to be made by Sponsor at a rate of three percent (3%) of the actual sales prices of Units for each Unit held by Sponsor and sold to bona fide Purchasers subsequent to the Effective Date of the Plan and within five (5) years of the First Unit Closing, notwithstanding that the total amount contributed may exceed three percent (3%) of the Total Price; and provided, further, that if five (5) years from thirty (30) days after the First Unit Closing the total contributions by Sponsor to the Reserve Fund are less than three percent (3%) of the Total Price, Sponsor shall pay the difference between the amount contributed and three percent (3%) of the Total Price. Supplemental contributions shall be made within thirty (30) days of each sale.

3) Credit against amount of Reserve Fund: The amount of the Reserve Fund to be established pursuant to this Section may be reduced by an amount equal to the actual cost of "capital replacements" which are begun after the Plan is first submitted to the Department of Law and before the Plan is declared effective; provided, however, that any such replacements must be set forth in the Plan, or an amendment to the Plan, together with their actual or estimated costs and further provided that such reduction or credit shall not exceed the lesser of the actual cost of the Capital Replacements or one percent (1%) of the Total Price. Sponsor currently anticipates that, barring circumstances now unforeseen, the amount of any such credit should not exceed $10,000.

4) Posting of violations: Within thirty (30) days from the date the Plan is accepted for filing by the Department of Law and until the First Unit Closing, Sponsor will post, and maintain in a prominent place accessible to all tenants, a listing of all violations of record against the Property as determined by the Department of Buildings and the Department of Housing Preservation and Development. Newly issued violations shall be posted within forty-eight (48) hours of issuance. Alternatively, Sponsor may designate an agent on the premises with whom such listing shall be made available for inspection by the tenants.

5) Report on physical condition of Property: The report prepared by George Schwarz, R.A. and included as part of the **"Description of Property and Building Condition"** contained in

Part II of this Plan shall be submitted to the Department of Buildings.

6) Sponsor's right to withdraw the Reserve Fund: Sponsor reserves the right to withdraw the Reserve Fund from the Offering at any time in the event that Chapter 8 of Title 26 of the Administrative Code of the City of New York is determined to be unconstitutional, illegal or invalid or in the event it is repealed or ceases to become law. If any portion of said chapter ceases to become law, then Sponsor reserves the right to withdraw the provisions of this Section related to such partial change. In the event of withdrawal of the Reserve Fund, each Person who has previously entered into a Purchase Agreement for a Unit shall have the right for thirty (30) days to rescind his Purchase Agreement and receive a prompt refund of any monies paid. Sponsor's right to withdraw the Reserve Fund shall cease on the date of the First Unit Closing.

Chapter 8 of Title 26 of the Administrative Code of the City of New York also provides for civil and criminal penalties for its violation, and further provides that any waiver of its provisions is void as against public policy.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Management agreement

Prior to the First Unit Closing, the Condominium Board will enter into a management agreement with the Managing Agent (Z&R Management, 1623 Third Avenue, New York, New York 10128) for a term of three years subject to the right, among others, of either party to cancel the same for the other party's default in performing a substantial obligation under the management agreement, upon thirty (30) days' prior written notice (unless the defaulting party shall cure its default within such thirty (30) day period).

The Managing Agent will receive an annual fee of $27,000, payable in equal monthly installments. The Managing Agent will be entitled to certain additional fees and commissions for certain special services performed by it. All such fees will either: (i) be paid by the Condominium Board and will be charged to all Unit Owners as a Common Expense, or, (ii) if appropriate, be paid by the Unit Owner, or the prospective

purchaser or tenant, as the case may be, requesting the applicable special service.

The duties and services to be rendered by the Managing Agent include, among others:

(1) billing and collecting Common Charges;

(2) causing the Common Elements to be serviced, maintained, repaired and altered in the manner deemed advisable by the Condominium Board, except that the Managing Agent shall not enter into any written contract in the name of the Condominium Board in excess of $5,000.00 for repairs, replacements, alterations, improvements, utilities or services to or of the Property or equipment thereon, without the prior approval of the Condominium Board (other than in case of emergency);

(3) employing, training, supervising, and discharging such employees of the Condominium Board, as are necessary for the operation and management of the Condominium;

(4) maintaining, in full force and effect, all insurance required by the By-Laws, reasonably required by the Condominium Board;

(5) maintaining records of cost and expenses incurred and income and receipts received in connection with the operation of the Property;

(6) furnishing to the Condominium Board statements of operations of the Property and, if requested by the Condominium Board, an annual budget, setting forth a detailed projection of cash receipts, cash receipts, cash expenditures, working capital and other necessary reserves and capital improvements and expenditures;

(7) attending meetings of the Condominium Board and Unit Owners; and

(8) paying, out of the Condominium Board's operating account, bills and invoices for the costs and expenses of operating the Condominium.

The annual certified financial statement with respect to the Condominium will not be prepared by the Managing Agent. Such statement will be prepared by an independent certified public accountant engaged by the Condominium Board, whose fees are to be paid by the Condominium Board and charged to the Unit Owners as a Common Expense.

All expenses incurred by the Managing Agent in performance of its duties will be reimbursed by the Condominium Board and charged to the Unit Owners as a Common Expense. In addition, the Condominium Board will indemnify the Managing Agent against any claims or liabilities in connection with acts properly performed by it pursuant to the instructions of the Condominium Board or for personal injury or property damage not resulting from the Managing Agent's gross negligence or willful failure to comply with its obligations under the management agreement.

If requested by the Condominium Board, the Managing Agent shall bond itself and all employees who handle, deal with or are responsible for monies of the Condominium Board under a fidelity bond in the amount of $100,000.00 for each loss. The cost of the bond will be borne by the Condominium Board and charged to the Unit Owners as a Common Expense, and has been provided for in the estimate of the Condominium's expenses contained in Schedule B.

The Managing Agent shall have no power or right to assign any monies due to it under the management agreement or to delegate any of its obligations or responsibilities thereunder to any other person, firm or corporation without the prior consent of the Condominium Board.

The Managing Agent for the Condominium is required by Section 352-eeee of the General Business Law to be the managing agent of all dwelling units occupied by Non-Purchasing Tenants. The Managing Agent must provide to Non-Purchasing Tenants all services and facilities required by Applicable Law on a non-discriminatory basis. Sponsor guarantees the obligation of the Managing Agent to provide all such services and facilities until such time as Sponsor surrenders control of the Condominium Board.

Other contractual agreements

Upon commencement of condominium operation, the Property will be subject to the then existing service and concession agreements (see the Footnotes to Schedule B for full details of the agreements in effect or proposed at the date of presentation of the Plan). The projected insurance coverage to be obtained for the first year of condominium operation is contained in the Footnotes to Schedule B.

Sponsor has reserved the right, prior to the First Unit Closing, to modify, renew and replace the existing agreements and to enter into new agreements that will be binding on the Condominium Board, provided Sponsor may not enter into any binding service or maintenance, or concession agreement for longer than two (2) years, unless same contains a provision permitting the Condominium Board to cancel the agreement from and after the second anniversary of the First Unit Closing, upon giving not less than ninety (90) days' prior written notice.

IDENTITY OF PARTIES

Sponsor

Sponsor is 452 West Company, a New York general partnership, having an office at c/o Z & R Management Corp., 1623 Third Avenue, New York, New York 10128.

The Sponsor was formed in 1985. The current general partners of the Sponsor are: Lisa Galinson, Rosalind Galinson, Isaac Kaplowitz, Michael D. Kaplowitz, Richard D. Kaplowitz, Carl Rudnick, Susan Zamanian, Donald Zweibon, Herbert Zweibon and Mark Zweibon, each having an address at c/o Z & R Management Corp., 1623 Third Avenue, New York, New York 10128. All of such members have had extensive experience in the real estate industry as investors, owners and/or builders.

Neither Sponsor nor its principals have, during the past five years, offered properties for sale as cooperatives, condominiums, planned unit development homes or time shares, except for a condominium conversion of the property located at 251 West 19th Street, New York, New York 10011, the offering plan for which was filed with the New York State Department of Law on January 11, 2002 (File No. CD 01-0046). Neither Sponsor nor its

principals own, as an individual, general partner, or principal, ten percent or more of the unsold shares or units in any cooperative, condominium or homeowners association within the State of New York other than the Property, and other than at 251 West 19th Street, New York, New York 10011.

Sponsor is current in all of its obligations with regard to the condominium conversion of the property located at 251 West 19th Street, New York, New York 10011.

Sponsor's attorneys

Sponsor has retained the law firm of Belkin Burden Wenig & Goldman, LLP, 270 Madison Avenue, New York, New York 10016, to represent it in connection with the Plan. Aaron Shmulewitz, a member of that firm, prepared the Plan and the opinion rendered to Sponsor with respect to the availability of income tax deductions to Purchasers and certain compliance with Section 339-i of the Condominium Act.

Selling Agent

Croman Real Estate, 611 Broadway, New York, New York 10012, is the Selling Agent. The Selling Agent is not affiliated with or controlled by Sponsor or its principals. The Selling Agent has acted as the selling agent for other residential New York City condominium and cooperative properties, including:

251 West 19th Street
10 East 22nd Street
204-206 West Houston Street
4 Lexington Avenue

Managing Agent

Z & R Management Corp., 1623 Third Avenue, New York, New York 10128, is the current managing agent for the Property and will be the initial managing agent for the Condominium. That firm is affiliated with the Sponsor, since it is owned and controlled by some of the principals of Sponsor, who have over 40 years experience as real estate managers, owners and investors. The following properties in New York County are among those currently managed by the Managing Agent:

251 West 19th Street
452 West 19th Street
235 East 82nd Street
229 East 84th Street
450 West 147th Street
474 West 158th Street
26 Carmine Street
579 Hudson Street
726 Amsterdam Avenue

Sponsor's Architect

The report on the physical condition of the Building included as part of the **"Description of Property and Building Condition"** contained in Part II of this Plan was prepared by George Schwarz, R.A. (the **"Architect"**), having an address at 381 Park Avenue South, New York, New York 10016. The Architect has had more than 40 years experience as a registered architect in New York State, and has had extensive experience with regard to the conversion of other New York City properties to condominium ownership, including the building at 251 West 19th Street, New York, New York. The Architect has no financial interest in the Property, Sponsor, the Managing Agent, the Selling Agent or any other party interested in this transaction, except for their fees for services rendered in connection with said report.

SPONSOR'S PROFIT

The fee ownership of the Property was acquired by Sponsor by deed dated April 23, 1985. Sponsor intends to make a profit in connection with the conversion of the Property to condominium ownership, but the amount of such profit is currently unknown.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board pursuant to the By-Laws:

(1) To submit to all Unit Owners within four (4) months after the end of each fiscal year of the Condominium an annual report of the receipts and expenditures of the

Condominium, certified by an independent certified public accountant;

(2) To 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 prior to the date fixed for the meeting; and

(3) To prepare and distribute to all Unit Owners, at least annually, a budget setting forth its projection of the Common Expenses for the coming fiscal year of the Condominium not later than ten (10) days prior to the date upon which the first installment of newly determined Common Charges is due.

DOCUMENTS ON FILE

Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all exhibits submitted to the Department of Law in connection with the filing of the Plan on file and available for inspection without charge, and for copying at a reasonable charge, at the office of the Selling Agent for a period of six years from the date of the First Unit Closing. Sponsor shall deliver to the Condominium Board a copy of all Condominium Documents filed with the appropriate recording office at the time of the First Unit Closing.

The Declaration and the By-Laws will be recorded in the Register's Office prior to the First Unit 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 Register's Office when the Declaration is recorded.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. The Plan does not contain a full summary of all the provisions of the various documents referred to herein, and prospective purchasers are urged to review the full text of each such document.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, against Sponsor that could materially affect this offering, the rights of Purchasers of Units, the Property, the Condominium, or the operation thereof.

In accordance with the provisions of the Applicable Laws of the State and City of New York, neither Sponsor nor any of its agents will discriminate against any person because of sex, race, creed, color, national origin, ancestry, or other ground proscribed by Applicable Law in the sale of the Units offered by Sponsor pursuant to this Plan or in the leasing of any such Units or any other portion of the Property.

The Property has not been the subject of any prior cooperative or condominium offering.

No contracts or agreements have been entered into, and no deposits or advances of funds have been accepted, by Sponsor or any other person acting on behalf of Sponsor as of the date hereof.

Sponsor reserves the right to revise, from time to time, the terms and conditions upon which Units are to be sold and to otherwise revise this Plan, including revisions affecting the rights, obligations and liabilities of Sponsor, Purchasers, or prospective Purchasers, without obtaining the consent of such Purchasers or others. However, Sponsor may neither unilaterally cancel an outstanding Purchase Agreement, except as therein provided (such as in case of uncured default), nor unilaterally change the Purchase Price or the payment terms contained in such a Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to this Plan. In the case of a material revision adversely affecting in any material respect the rights, obligations or liabilities of then existing Purchasers or reducing the undertakings or obligations of Sponsor, such Purchasers will be given the right to rescind their Purchase Agreements and be refunded all monies paid thereunder, with interest earned thereon, if any, within thirty (30) days after the presentation of the amendment. However, such rescission, as to a Purchaser who first became a tenant of the Property after the Presentation Date of this Plan, will be conditioned on the cancellation of any Interim Lease and surrender of possession of his Unit within thirty (30) days thereafter.

All statements and representations made in this Plan with respect to items prepared by others have been made by Sponsor in reliance upon the Persons responsible for the preparation of such items and their authority as experts.

Unless the context otherwise requires, words used in the singular in Part I of this 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 to 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.

RESERVATION OF AIR AND DEVELOPMENT RIGHTS

Sponsor is reserving the right to transfer not more than approximately 5,000 square feet of unused air and development rights to other buildings, pursuant to applicable legal requirements. This Building will not be expanded as a result thereof. However, since such unused air and development rights could be transferred to adjoining properties, such transfer could result in the addition of height to such adjoining properties in excess of the height to which they would be permitted to be built but for such transfer. In addition, it is conceivable that the owner of an adjoining property could also acquire additional air and development rights from other properties, which could result in the addition of even greater height to such adjoining property in excess of the height to which it would be permitted to be built following any transfer of such rights from Sponsor alone.

SPONSOR'S STATEMENT OF BUILDING CONDITION

General

Sponsor hereby adopts the report prepared by George Schwarz, R.A., which is included as part of the **"Description of Property and Building Condition"** contained in Part II of this Plan. Sponsor represents that, to the best of its knowledge, said report accurately states the description and condition of

the Property as of the date of the inspection. Sponsor further represents that it has no knowledge of any material defects or need for major repairs to the Property except as set forth in the Description of Property and Building Condition.

The existing certificate of occupancy for the Property (the **"Certificate of Occupancy"**), as amended, was issued on or about January 29, 1987 and indicates that there are 20 residential Units in the Property. The proposed use of all Units at the Property is the same as the use indicated in the Certificate of Occupancy; if applicable and necessary, the Certificate of Occupancy will need to be amended to provide for any use that does not conform to the uses now stated in the Certificate of Occupancy.

Each Unit and the Common Elements are offered in "as is" condition as of the closing of title thereto, subject to Sponsor's obligation to: (a) maintain the Common Elements until the First Unit Closing in substantially the same condition and manner as on the Presentation Date of the Plan, reasonable wear and tear excepted, and (b) cause certain violations of record to be cured as described below.

Prior to the First Unit Closing or within a reasonable period of time thereafter, Sponsor will cause to be cured all violations of record against the portions of the Property comprising the Common Elements as of the date of the First Unit Closing (except violations caused by acts or omissions of tenants in Building in their own Units).

Prior to the First Unit Closing, Sponsor will also eliminate all dangerous or hazardous conditions of which Sponsor has notice, including but not limited to "C" violations as defined in the New York City Administrative Code.

No report for the Property pursuant to New York City Local Law 11 is appended to the Report, since the Property is exempt from compliance with such statute due to the height of the Building. Copies of notices of violations of record found pursuant to a search of the records of various municipal departments of the City of New York are appended to the Report.

Notwithstanding the above, once the Plan is declared effective, Sponsor may nonetheless abandon the Plan on the terms and conditions set forth in the Section of the Plan entitled

"Effective Date," and upon such abandonment Sponsor shall have no liability to Purchasers hereunder.

Sponsor shall provide, at the date of the First Unit Closing, where required by Applicable Law, updated Permits pertaining to oil storage and boiler safety inspection, if applicable.

As set forth in the report prepared by George Schwarz, R.A., and included as part of the **"Description of Property and Building Condition"** contained in Part II of this Plan, there are, in his opinion, no conditions at the Property that warrant repair or remediation.

Lead-Based Paint Disclosure

The United States Department of Housing and Urban Development, and the New York City Department of Health, have recently enacted various Applicable Laws that require, respectively: (i) disclosure by Sponsor of information and reports in its possession regarding the presence of lead-based paint at the Property, and (ii) under certain circumstances, periodic inspections of Units by the Condominium and/or Unit Owners, and, under certain circumstances, remediation and repair of areas on which lead-based paint is present and/or may be deteriorated. Prospective Purchasers are urged to review such Applicable Laws in order to determine the effect that any such Applicable Laws may have on such prospective Purchaser's purchase and/or ownership of a Unit.

As of the date the Plan was first submitted to the Department of Law, Sponsor has no knowledge, records or reports of the presence of lead-based paint and/or lead-based paint hazards at the Property. Any knowledge, records or reports of the presence of lead-based paint and/or lead-based paint hazards that hereafter become known or available to Sponsor will be disclosed to each prospective Purchaser under the Plan as and to the extent required by the Regulations, but need not be disclosed in an amendment to this Plan.

Prospective Purchasers contemplating alterations which penetrate or disturb the painted surfaces of their Units should consult with a qualified consultant or contractor for the recommended protocol to perform the alteration and avoid potential lead dust contamination.

GEORGE SCHWARZ ARCHITECT

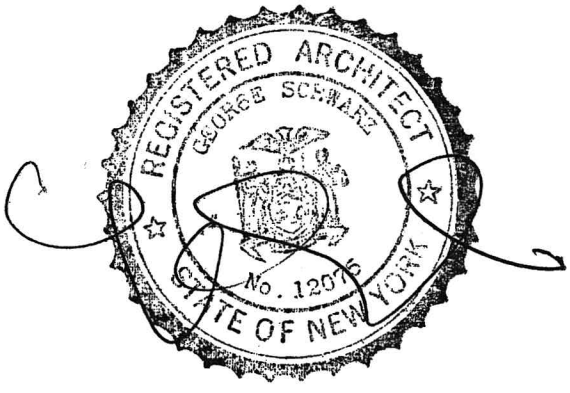
381 PARK AVENUE SOUTH - SUITE 815
NEW YORK, N.Y. 10016
Tel: (212) 683-7192
Fax: (212) 889-2778

452 WEST 19TH STREET
MANHATTAN, NEW YORK

SPONSOR'S STATEMENT

OF

PRESENT BUILDING CONDITION
INCLUDING AGE AND DESCRIPTION
OF
BUILDING, APARTMENTS AND EQUIPMENT



FEB 10, 2005

452 WEST 19TH STREET
NEW YORK, NY 10011

DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION

This report is dated February 10th 2005. The last inspection on which this report is based was made on January 28th 2005.

ADDRESS:	452 West 19th Street New York, New York
CROSS STREETS:	10th Avenue
YEAR BUILT:	1920
BLOCK NO.:	716
LOT NO.:	64
LOT SIZE:	50" x 92"
ZONING DISTRICT:	R8A- Residential
OCCUPANCY:	Residential
CERTIFICATE OF OCCUPANCY #:	Attached
VIOLATIONS:	Attached
CONSTRUCTION CLASS:	Class "3", Non Fireproof
ASBESTOS REPORT:	Attached
TOTAL HEIGHT:	5 Stories - Approximately 56' 0"

1. SITE

The property is located at 452 West 19th Street, Borough of Manhattan, City of New York, on the South side of West 19th Street at 100.0′ from Tenth Avenue. The building fronts on a public street, sidewalks are concrete with steel edged curbs; the street in front of the building is asphalt. There are no trees or fire hydrants in front of the building.

2. UTILITIES

Utilities consist of public water and sewer, gas and electric service & telephone. Combined sanitary and storm sewers are cast iron pipes and maintained by the City of New York. Gas and electric service are supplied and maintained by the Consolidated Edison Company of New York. Telephone service is provided by Verizon Telephone Company. Drainage consists of cast iron leaders, leading from the roof into the public sewer. Street drainage appears to be satisfactory.

3. SUB SOIL

There is no evidence of uneven foundation movement or water seepage or other subsoil problems in the cellar.

4. LANDSCAPING

There is no front yard or landscaping on the site.

5. BUILDING SIZE

The site is occupied by one (1) building, consisting of a cellar and five stories measuring approximately 56′-0″ high; typical apartment floor to ceiling height is approximately 9'-2". The building width measures approximately 50′-0″ and the depth is 87′-0″ at typical floors with an area of approximately 4350 square feet per floor. The lot is 50′-0″ width and 92′-0″ depth with an area of 4600 square feet.

6. OCCUPANCY

The Building consists of 20 class A apartments, with four per floor on each of the first through fifth floors.
Cellar: Boiler room, electric meter room, water and gas meter room, laundry room, recycling room and four half Apartments (A, B, C, D) combined with the four half Apartments above them, respectively.
First Floor: 4 half Apartments (A, B, C, D) combined with the 4 half Apartments below (Cellar floor). Enter lobby on north side of the building and elevator.
Second to Fifth Floor: four Apartments (A, B, C, D), hallway, elevator and public stair.
Roof: Top portion of duplex Apartment 5B, elevator machine room and bulkhead stair.

7. STRUCTURAL SYSTEM

The building is a Class D5 Converted Elevator Apartments type building with bearing walls and wood joists. Exterior walls are of brick masonry. The foundations are concrete walls and footing. There were no signs of settlement cracks at the foundation walls. The cellar floor is concrete slab on grade. There was no indication of structural distress or failure and the structure appears to be sound and safe.

8. BUILDING EXTERIOR

The street facade for floors 1 through 5 is red range brick with punched openings. The entrance door to the vestibule and lobby is aluminum and glass. Exterior doors at cellar and roof level are steel. The windows are aluminum double hung and double glazed with stone lintels and sills; doors and windows are, in general, in good condition.
The skylight located at the roof above each 5th floor apartment, as well as the skylight over the public stairs, are steel framing with tempered glass. The present iron fire escapes at the front and back of the building show signs of rust and should be scraped and painted.

9. ROOF AND PARAPETS

The roof contains a bulkhead stair, elevator machine room and the top portion of Apartment 5B, which is a duplex. The main roof is pitched towards the center with drainage provided by a copper pipe embedded in the wall leading to cast iron leaders. Surfacing is rolled roofing with bituminous coating at joints. The roof appeared to be in good condition; no apparent damage or leaks were observed. Surface finish is silver. The main roof has a four foot high brick parapet with terracotta coping all around.

10. INTERIOR PUBLIC SPACES

Main entrance vestibule and hallway areas have ceramic tile floor; walls and ceilings are painted plaster. At the main entrance vestibule there is an intercom panel and buzzer system connected to each apartment. The entrance and vestibule doors are aluminum frame with glass and equipped with a self-closing system. The main stair is steel with cement treads and steel balustrades.
Public hallway lighting is exposed fluorescent fixtures at ceiling. All public areas and stairways appear to be in good condition.

11. CELLAR AND BOILER ROOM

The cellar contains four half apartments connected with interior stairs to the apartments above, boiler room, electric meter room, water and gas meter room, laundry room and recycling room.
The concrete floor is in good condition with no cracks noted.
There is an exit from the cellar through an areaway at the front of the building leading to the street, which is West 19th Street.
The boiler room is located at the rear of the cellar with access to the public hallway and door leading to the rear yard.

12. HEATING AND HOT WATER SUPPLY

The building has a central gas fired steel boiler in the cellar providing hot water and heat by a two pipe hot water circulating system with cast iron radiators at each apartment. The boiler flue is an exterior metal flue at the rear yard of the

building. The boiler is General Boiler, model # G-240-40 and the burner is Powerflame, model # C2-G-20A. The boiler controls include heat timer, temperature cut-off switch and emergency cut-off switch. The fresh air intake is provided by way of a louver window in the rear wall of the boiler room. Boiler room walls, ceiling and floor are concrete slab. In general, the boiler appeared to be in good working condition and well maintained. There were no complaints for lack of heat at the time of this inspection and heat supply appeared adequate.

13. VENTILATION

All units in the building are provided with natural ventilation through front or rear by double hung operable windows. Bathrooms and kitchens are gravity ventilated by mechanical ventilation via a fan on the roof. Public stair and hallways are ventilated via a ventilating skylight.

14. AIR CONDITIONING

There is no central air conditioning system for the building. Individual apartments are equipped with their own individual air conditioner units, installed and maintained by the tenants who are responsible for the maintenance.

15. GAS SERVICE

Gas is provided by Con Edison for cooking and heating purposes. There is a main gas meter for the building located at the front cellar. Gas piping is black iron schedule 40 and is in good condition.

16. ELECTRICAL SERVICE

There are individual meters for each apartment and public spaces located at the front cellar. Service is minimum 400 amp. 120/240 volt 3 phase, 3 wire service. Each apartment has a 100 amp panel. All lighting is operated by switches and consists of incandescent type ceiling fixtures in the apartment and fluorescent ceiling fixtures in stairs and hallways. Each apartment has convenience switches and outlets and contains connections for TV, telephone, the intercom system and electrically operated buzzer system for front entrance door.

The maintenance of each apartment's electrical panel and service distributed from the panel is the responsibility of the tenant.

17. INTERCOMMUNICATION SYSTEM

There is a buzzer type intercom with door release button and interactive audio identification system for each apartment.

18. GARAGE AND PARKING

There is no on site parking or garage on the premises. Street parking is permitted on specified days and hours as determined by the City of New York on public streets.

19. APARTMENTS

There are 20 apartments in the building, four units on each typical floor (A, B, C, and D). The first floor contains 4 duplex apartments which are connected with stairs to the bottom portion of the apartments at the cellar level. The 2nd to 5th floors each contain 4 single apartments per floor, except for Apartment 5B which is connected with stairs to a penthouse at the roof level. A typical apartment contains a living room, two bedrooms, kitchen, bathroom and closets. Kitchens have cabinets, gas ranges, single door refrigerators and a free standing sink. The apartments have wood oak strip flooring; kitchens and bathrooms have ceramic tile floors. Walls and ceiling are painted plaster or plasterboard. Exterior doors are hollow metal fire proof self-closing type with peephole and chain guards. Interior doors are hollow core wood doors, painted. General appearance of apartment interiors is in very good condition.

20. PLUMBING AND DRAINAGE

Water is supplied from the City main. There are no individual meters; the cost of water is a common expense. All supply and drainage appears to be in good condition. Waste and vent piping is iron. Supply piping is copper. Soil stack and sewer lines are cast iron. Distribution is by gravity feed to all floors. Sanitary sewage system consists of cast iron waste and soil stack serving all floors, venting is though roof, terminating in a common house drain which is

connected to a combined public sewer. There was no sign of water leakage from the plumbing system.

21. PEST CONTROL

There was no sign of pest infestation evident at the building at the time of the inspection. The Condominium will be responsible to schedule monthly exterminator service as needed.

22. REFUSE SERVICE

There is no incinerator or trash compactor in the building. Refuse is collected in plastic cans on the areaway at front of the building and picked up by the New York City Department of Sanitation on designated days for off-site disposal.

23. ELEVATOR

There is one passenger elevator servicing the building. It is automatic with push button controls. The capacity of the elevator is 2000 lbs. The machine room is located on the roof. The cab walls are plastic laminate and floor is vinyl tiles. Elevator is inspected and approved by the New York City Department of Buildings.

24. LAUNDRY

The laundry room is located in the cellar and contains two washers and two dryers available to all tenants of the building. The laundry room appeared to be in good working condition and well maintained. There were no complaints at the time of this inspection.

25. CABLE TV

Cable T.V. service is available on a subscription basis, directly from the cable operator.

26. FIRE PROTECTION

The units in the building are provided with approved type smoke detectors as required by New York City Law. Public hallway and stair enclosures are two hour fire rated. The building has front and rear fire escapes in compliance with section 53 of the New York State Multiple Dwelling Law. Each apartment is also equipped with fire proof self closing entrance doors.

27. RECREATION FACILITY

There are no recreation facilities in the building; public recreation areas are open to the public in City parks in the neighborhood.

To the best of my knowledge, this report contains an accurate description of the building and its present conditions. Except as stated herein, no representation is made as to the condition or legality of the various elements.

George Schwarz, R.A. # 12075



GEORGE SCHWARZ - ARCHITECT

381 Park Avenue South - Suite 815
New York, N.Y. 10016
(212)683-7192
Fax# (212)889-2778

December 07, 2005

RE: **452 West 19th Street**
New York, New York

ADDENDUM

This letter is in addendum to the original report dated 2.10.2005. The following is in response to comments received from the State of New York, Office of the Attorney General.

I. General.

X. Updated inspection certificates and permits will be provided before closing. With regard to:

- X. Air resource
- X. Elevator inspection
- X. Boiler Safety Inspection

II. Describe the condition of the following items

A. **Masonry.** Is there deteriorated mortar, spalling, cracks (settlement, compression-expansion, etc.), bulges, leaning, moisture, penetration, or any other sign of distress in:

X.	Exterior wall brickwork	No.
X.	Parapets	No.
X.	Copings	No.
X.	Chimneys	No.

All items listed in above are in good condition

B. Electrical wiring.

X. State whether adequate for modern usage, including A/C -adequate

C. Elevators

X. Describe condition of motor(s), controller(s), cable(s), etc. -Inspected & Maintained by elevator maintenance company- Kone elevator. Co.

X. Describe condition of cabs. -Good condition

All items listed in above are in good condition

D. Apartment Interiors

X. Describe condition of appliances, and/or fixtures. -Good condition

E. Other

X. Describe condition of the sidewalk pavement -Good conditions

X. Describe condition of yard pavement -Good conditions

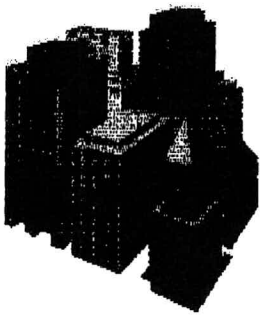
X. The reserve fund will be sufficient to pay for the major Capital improvements and replacements which are Reasonably foreseeable within three years from the first Unit closing.

E. Other (continuation).

X.	Any lot line windows? If so state the possible future Effects of such as a special risk.	--No lot-line Windows
X.	Note as a special risk that below grade recreation rooms May not be used as bedrooms and that to do so could result in violation being posted against the building	-recreation room not to be used as bedroom as per NYC Building code
X.	Describe the condition of the skylight, hot water system, intercom & lighting	-the skylights, hot water system and intercom & lighting are in Good condition
X.	Describe method of hot water system & condition.	-Domestic Hot water coil in gas Fired boiler providing hot water in good condition.
X.	Indicate adequacy of water pressure	- adequate
X.	Indicate elevator capacity in terms of people. Note elevator make.	-elevator make is Staley capacity is 2000 lbs. (13 persons)
X.	Indicate method of laundry room and dryer ventilation and adequacy	- Laundry room& dryer vented to outside and is adequate.
X.	Describe public area lighting and the adequacy	• public areas are lighted by Incandescent light fixtures and is adequate.



George Schwarz R.A



EXECUTIVE ENVIRONMENTAL GROUP, INC.
1373 CONEY ISLAND AVENUE, SUITE 3, BROOKLYN, NY 11230
TEL 718.677.1007 FAX 718.677.1008

****** ASBESTOS SURVEY ******

PROPERTY:	**452 West 19th Street** **New York, NY**
PREPARED FOR:	**Independence Community Bank** **195 Montague Street** **Brooklyn, NY 11201**
PREPARED BY:	**Executive Environmental Group** **1373 Coney Island Ave - Suite 3** **Brooklyn NY 11230**
DATE:	**November 16th, 2004**
PROJECT #:	**04-753**

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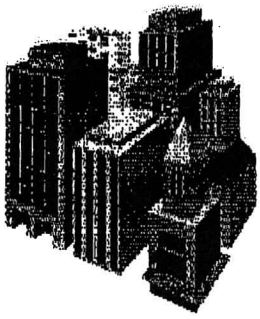
Executive Summary

Asbestos Survey

Conclusion

Qualifications of Executive Environmental Group

Limitations



EXECUTIVE ENVIRONMENTAL GROUP, INC.
1373 CONEY ISLAND AVENUE, SUITE 3, BROOKLYN, NY 11230
TEL 718.677.1007 FAX 718.677.1008

November 16th, 2004

Independence Community Bank
195 Montague Street
Brooklyn, NY 11201

PROPERTY: 452 West 19th Street, New York, NY

To Whom It May Concern:

Executive Environmental Group, a multi-disciplinary environmental firm specializing in site assessments, completed an Asbestos Survey of a multi-family residential building for the above premises on November 16th, 2004. This assessment was conducted by Mike Long, M.S. Engineer, and supervised by Eliot Ely, CEI, an EPA licensed asbestos inspector, an EPA certified lead based paint supervisor and certified by the Environmental Assessment Association as an Environmental Inspector.

The scope of this assessment included a visual inspection by our firm for friable asbestos survey, interviews and related sources. The purpose of this inspection was to review the site for potential hazards from ACM.

The following was noted:

There are no Asbestos Containing Material (ACM) concerns noted for the subject site.

We appreciate the opportunity to service your environmental needs and we look forward to working with you in the future.

Sincerely yours,

Eliot Ely, CEI



EXECUTIVE SUMMARY

Executive Environmental Group performed an Asbestos Survey of the premises 452 West 19th Street located in New York, NY. The premises will be referred to as the "site" within this report.

The scope of this survey included a visual observation, interviews with various personnel and other sources. The purpose of which was to review the range of building materials within the subject site, which are commonly found to contain asbestos in similar structures and to determine any concerns relating to such materials.

ASBESTOS SURVEY:

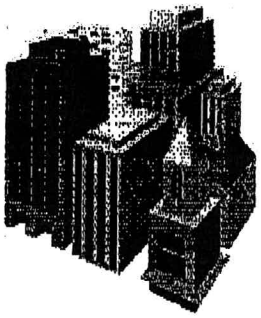
A survey for ACM was conducted and there are no Asbestos Containing Material (ACM) concerns noted for the subject site.

Area	Component	Amount	Condition
Laundry Room	NA	0	NA
Boiler Room	NA	0	NA
Storage Room 1	NA	0	NA
Storage Room 2	NA	0	NA
Basement Apartment	NA	0	NA

LF = Linear Feet

CONCLUSION:

There are no Asbestos Containing Material (ACM) concerns noted for the subject site.



EXECUTIVE ENVIRONMENTAL GROUP, INC.
1373 CONEY ISLAND AVENUE, SUITE 3, BROOKLYN, NY 11230
TEL 718.677.1007 FAX 718.677.1008

Qualifications for Executive Environmental Group

Jonathan Ely, Esq. - Compliance Director
* *Member of the New York State Bar Association*
* *Real Estate Transaction Specialist*

Prof. Aron Goykadosh, P.E. – Director of Engineering
*Associate Professor – NYC Technical College, Engineering Dept.
* *New York State Certified Professional Engineer*

Ronald Cagan, P.E. - Engineering Supervisor
* *New York State Certified Professional Engineer*
* *Commercial Building Systems Specialist*

Anthony Shuen, P.E. – Professional Engineer
* *New Jersey State Certified Professional Engineer*
* *Façade and Structural Specialist*

Mike Long – M.S. Engineer
* *OSHA - Safety Regulation Compliance*
* *Material Specification Engineering*

Turu Illgen – Architect
* *Structural and Building Systems Testing*
* *ASTM Standards & Building Code Compliance*

Eliot Ely, CEI - Director of Operations
* *New York State - Asbestos Inspector*
* *EPA Lead Supervisor*

Chauncey Sage - Environmental Inspector
* *EPA Lead Inspector*
* *New York State – Certified for XRF Lead Paint Testing*

Neil Butler – Marketing Manager
* *Lender Liaison*
* *Property History Specialist*

Kayne Konecny – Director of Data Resources
* *ASTM Database Research*
* *Mapping Specialist*

LIMITATIONS AND DISCLAIMER

The information provided within this Survey is intended to be a source of information to assess the environmental hazards as listed. This report is not intended to address any other environmental concerns other than relating to industry standards for these hazards. These standards are being constantly updated and although the total environmental picture of the "site" is not likely to change the building owner must be cognizant of this possibility as it relates to the age of the site. Additionally, due to the fact that the subject at hand is painted surfaces and other building components, the very nature of which is constantly subject to change, should also play a role in the vigilance accorded these hazards.

The information provided within this Survey is intended to be a source of information to review the range of common hazards relating to asbestos and to evaluate recognized conditions indigenous to similar structures. This report is only intended to address asbestos as recognized by industry standards for a survey. This report is based upon the currently visible and accessible conditions and does not encompass any future changes.

These standards are being constantly updated and although the total environmental picture of the "site" is not likely to change the building owner must be cognizant of this possibility as it relates to the subject site. Additionally, due to the fact that the subject at hand is a surface, the very nature of which is constantly subject to change, should also play a role in the vigilance accorded to all environmental hazards.

The contents of this report are correct to the best of our knowledge and belief. This report, findings, conclusions and recommendations are limited to our actual knowledge based upon a visual inspection of the subject site, records review and interviews. Executive Environmental Group, Inc. cannot guarantee the presence or lack of any specific environmental hazard. The presence of such can only be confirmed through state of the art sampling, which is beyond the scope of this report.

Executive Environmental Group, Inc. has presented this report as a professional opinion regarding practical environmental hazard issues, not legal environmental compliance. The scope of services performed may not be sufficient to properly recognize all hazards and therefore any use or reuse of this report is the sole risk of the user. Any past, existing or potential for violations or fines should be assessed by legal counsel and is not the purpose of this report. This report does not review documents and fees required to be filed and paid. Past, current and future environmental hazards and their impact on their value of the subject site should be assessed by a real estate appraisal professional and is not the purpose of this report.

Title No. **822593**

MUNICIPAL, DEPARTMENT AND INFORMATION SEARCHES

Any searches or returns reported herein are furnished **FOR INFORMATION ONLY**. They are not insured and the company assumes no liability for the accuracy thereof. They will not be continued to the date of closing.

SEARCHES -

Dept. of Housing & Building:	**See Annexed**
Certificate of Occupancy:	**See Annexed**
Fire Department:	**See Annexed**
Emergency Repair Liens:	**See Annexed**
Dept. of Air Resources:	**See Annexed**
Department of Highways:	**See Annexed**

SUPERIOR DATA SERVICES, INC.

44 Court Street• Suite 300• Brooklyn, NY 11201
Phone: 718-625-9949 Fax: 718-625-9609

Title: ROYAL 822593 **Date:** 8/5/2004
Premises: 452/454 WEST 19TH STREET
County: MANHATTAN
Block: 716 **Lot:** 64

HOUSING & BUILDING VIOLATION SEARCH

A search of the records of the Department of Buildings, and the Rent and Housing Maintenance Department of the City of New York, the following violations were reported pending:

BUILDING DEPARTMENT: **LAST DATE OF POSTING:** 4/30/2004

A search of the Building Department Records Indicates the following violations, copies and/or an abstract of the violations, if any are attached.

NO VIOLATIONS.

RENT AND HOUSING MAINTENANCE DEPARTMENT:

A search of the Housing Department Records Indicates the following violations, copies and/or an abstract of the violations, if any are attached.

VIOLATION(S). See Attached.

BUILDING CLASSIFICATIONS: MULTIPLE DWELLING - MDR #: 140439

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

SUPERIOR DATA SERVICES DOES HEREBY CERTIFY THAT THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCIES WERE EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS A TRUE AND ACCURATE ABSTRACTION OF THE INFORMATION CONTAINED THEREIN. THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY. NO LIABILITY IS ASSUMED HEREUNDER. THIS SEARCH DOES NOT INCLUDE VIOLATIONS RECORDED WITH OTHER GOVERNMENTAL AGENCIES. THIS SEARCH IS PREPARED EXCLUSIVELY FOR ROYAL ABSTRACT.

08/04/04
0504

HPD Building, Registration & Violation Services — Select — Home

The selected address: 452 WEST 19 STREET, Manhattan 10011

HPD#	Range	Block	Lot	CD	CensusTract	Stories	A Units	B Units	Ownership	MDR#	Class
30866 Active	452-454	00716	0064	4	8900	5	20	0	PVT	140439	W

Other Units

Registration

Emerg. Repairs

Charges

Map

All Violations

prior year Viol.'s

Building Registration Summary Report

Owner	Last Reg Dt	Organization	Last Nm	First Nm	House No	Street Nm	Apt	City	Stat
Head Officer	2004/03/25		ZWEIBON	MARK	1623	THIRD AVE	201	NYC	NY
Officer	2004/03/25		ZWEIBON	DONALD	1623	THIRD AVE	201	NEW YORK CITY	NY
Corporation	2004/03/25	452 WEST CO			1623	THIRD AVE	201	NEW YORK CITY	NY
Managing Agent	2004/03/25	Z & R MANAGEMENT CORP	ZWEIBON	DONALD	1623	THIRD AVE	201	NEW YORK CITY	NY
Emerg. Contact	2004/03/25		ZWEIBON	MARK					
Emerg. Contact	2004/03/25		ZWEIBON	DONALD					

Violations - ALL DATES
There are 3 Violations. Arranged by category: A class: 0 B class: 3 C class: 0 I class: 0

For definitions, click on the Glossary link at the upper right.
To sort the columns, click on their underlined headers below in the blue area.

Apt Story	Reported Date, nov ISSUED Date	Hzrd Class	Order no Item no	Violation ID	Violation Description	Status Status Date	Owner Certification Dates: 1st Lead, 2nd Lead
- -	1997/10/06 1997/10/21	B	530	2920097	§ 27-2005, 2007 adm code arrange and make self-closing the doors entrance 5 sty southeast apt 5c.	FALSE CERT 1997/12/23	1997/12/15 -
- -	1988/06/09 1988/08/02	B	510	2920095	§ 27-2005 adm code & 309 m/d law abate the nuisance consisting of keyed lock on gate roof.	NOV SENT 1988/08/02	1988/09/26 -
- -	1988/06/09 1988/08/02	B	551	2920096	§ 27-2010, 2011, 2012 adm code cleanse and disinfect to the satisfaction of this department after removing the water roof at bulkhead.	NOV SENT 1988/08/02	1988/09/26 -

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NYC.gov NEW YORK CITY'S OFFICIAL WEB SITE

SUPERIOR DATA SERVICES, INC.

44 Court Street • Suite 300 • Brooklyn, NY 11201
Phone: 718-625-9949 Fax: 718-625-9609

Title: ROYAL 822593 **Date:** 8/6/2004
Premises: 452/454 WEST 19TH STREET **Muni Fee:**
County: MANHATTAN
Town/City: **Village:**
District: **Section:** **Block:** 716 **Lot(s):** 64

CERTIFICATE OF OCCUPANCY SEARCH

Attached find a copy of Certificate of Occupancy # 89817 issued on 1/29/1987 FOR A FIVE STORY NON-FIREPROOF BUILDING; TWENTY APARTMENTS.

According to the Department of Buildings' Index Records and Property Profile Overview, there are no subsequent alteration plans filed to obtain a new Certificate of Occupancy for the above mentioned property.

SUPERIOR DATA SERVICES DOES HEREBY CERTIFY THAT THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCY WERE EXAMINED FOR ROYAL ABSTRACT. THE INFORMATION REPORTED ABOVE IS A TRUE AND ACCURATE ABSTRACT OF THE INFORMATION REPORTED THEREIN AND NO LIABILITY IS ASSUMED. THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY.

THE CITY OF NEW YORK

DEPARTMENT OF BUILDINGS Alt. #639/85

CERTIFICATE OF OCCUPANCY

BOROUGH MANHATTAN DATE JAN 29 1987 NO. ZONING DISTRICT R-8

This certificate supersedes C O No

THIS CERTIFIES that the ~~new~~ altered ~~existing~~ building premises located at 452 West 19th Street Block 716 Lot 64

CONFORMS SUBSTANTIALLY TO THE APPROVED PLANS AND SPECIFICATIONS AND TO THE REQUIREMENTS OF ALL APPLICABLE LAWS, RULES, AND REGULATIONS FOR THE USES AND OCCUPANCIES SPECIFIED HEREIN

PERMISSIBLE USE AND OCCUPANCY

STORY	LIVE LOAD LBS. PER SQ. FT.	MAXIMUM NO. OF PERSONS PERMITTED	NO. OF DWELLING OR ROOMING UNITS	BUILDING CODE HABITABLE ROOMS	ZONING USE GROUP	BUILDING CODE OCCUPANCY GROUP	DESCRIPTION OF USE
Cellar	G.G.	5					Boiler, Storage, Meter, Rec. Rooms, Laundry Room
1st	200		4	8	2	Res.	Apartments
2nd	150		4	8	2	Res.	Apartments
3rd	128		4	8	2	Res.	Apartments
4th	128		4	8	2	Res.	Apartments
5th	128		4	12	2	Res.	Apartments
Roof	100					Res.	Mezzanine in conjunction with apartment below

Residential
Article VIIB
Old Code

OPEN SPACE USES ——— (SPECIFY—PARKING SPACES, LOADING BERTHS, OTHER USES, NONE)

NO CHANGES OF USE OR OCCUPANCY SHALL BE MADE UNLESS A NEW AMENDED CERTIFICATE OF OCCUPANCY IS OBTAINED

THIS CERTIFICATE OF OCCUPANCY IS ISSUED SUBJECT TO FURTHER LIMITATIONS, CONDITIONS AND SPECIFICATIONS NOTED ON THE REVERSE SIDE.

BOROUGH SUPERINTENDENT

☐ ORIGINAL ☐ OFFICE COPY—DEPARTMENT OF BUILDINGS ☐ COPY

B Form 94 (Back) (Rev. 6-82)

THAT THE ZONING LOT ON WHICH THE PREMISES IS LOCATED IS BOUNDED AS FOLLOWS:

BEGINNING at a point on the South side of West 19th Street distant 100' East from the corner formed by the intersection of Tenth Avenue and West 19th Street

running thence 92'-0" South feet; thence 50'-0" feet;

thence 92'-0" North feet; thence 50'-0" West feet;

thence ..... feet; thence ..... feet;

thence ..... feet; thence ..... feet;

to the point or place of beginning.

BLDG. ALT. No. 639/85 DATE OF COMPLETION 12-23-86 CONSTRUCTION CLASSIFICATION Class 3-F.P.

BUILDING OCCUPANCY GROUP CLASSIFICATION Residential-Article VIIB HEIGHT 5 STORIES 55'-0" FEET

THE FOLLOWING FIRE DETECTION AND EXTINGUISHING SYSTEMS ARE REQUIRED AND WERE INSTALLED IN COMPLIANCE WITH APPLICABLE LAWS.

	YES	NO		YES	NO
STANDPIPE SYSTEM			AUTOMATIC SPRINKLER SYSTEM		
YARD HYDRANT SYSTEM					
STANDPIPE FIRE TELEPHONE AND SIGNALLING SYSTEM					
SMOKE DETECTOR	X				
FIRE ALARM AND SIGNAL SYSTEM					

STORM DRAINAGE DISCHARGES INTO:

A) STORM SEWER ☐ B) COMBINED SEWER ☐ C) PRIVATE SEWAGE DISPOSAL SYSTEM ☐

SANITARY DRAINAGE DISCHARGES INTO:

A) SANITARY SEWER ☐ B) COMBINED SEWER ☐ C) PRIVATE SEWAGE DISPOSAL SYSTEM ☐

LIMITATIONS OR RESTRICTIONS:

BOARD OF STANDARDS AND APPEALS CAL. NO. 217-85 A1C

CITY PLANNING COMMISSION CAL. NO. _____

OTHERS:

SUPERIOR DATA SERVICES, INC.

44 Court Street• Suite 300• Brooklyn, NY 11201
Phone: 718-625-9949 Fax: 718-625-9609

FIRE DEPARTMENT CITY OF NEW YORK
BUREAU OF REVENUE MANAGEMENT
9 METROTECH EAST
BROOKLYN, NY 11201-3857

RECORD SEARCH REQUEST

Mail To: Superior Data Services
44 Court Street Suite 900
Brooklyn, NY 11201

Title: ROYAL 822593

The undersigned requests the following information re: Premises

Address: 452/454 WEST 19TH STREET

Borough: MANHATTAN

- ☒ Record of existing FIRE DEPARTMENT VIOLATIONS
- ☐ Record of Permit for FUEL OIL
- ☐ Record of UNDERGROUND STORAGE TANKS

Signed: Superior Data Services
Date: 08/03/2004

(THE CITY OF NEW YORK IS NOT SUED, NOR IS THERE ANY INTENTION TO SUE THE CITY OF NEW YORK)

DO NOT WRITE BELOW THIS LINE

Gentleman:

In reply to your request concerning the premises mentioned above, please be advised that as of 9 A.M., AUG 16 2004 our records show the following:

NO VIOLATIONS
BUREAU OF FIRE PREVENTION
FIRE DEPT., CITY OF N.Y.

148Y

VIOLATIONS RECORDED ABOVE ARE ONLY THOSE WHICH ARE A MATTER OF RECORD IN HEADQUARTERS OF THE BUREAU OF FIRE PREVENTION AND MAY NOT INCLUDE VIOLATIONS ISSUED BY LOCAL UNITS. THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY AND FOR THE EXCLUSIVE USE BY ROYAL ABSTRACT. NO LIABILITY IS ASSUMED.

SUPERIOR DATA SERVICES, INC.

44 Court Street • Suite 300 • Brooklyn, NY 11201
Phone: 718-625-9949 Fax: 718-625-9609

Title: ROYAL 822593 **Date:** 8/10/2004
Premises: 452/454 WEST 19TH STREET
County: MANHATTAN

Block: 716 **Lot:** 64

EMERGENCY REPAIR SEARCH

A Search Conducted in the Department of Rent and Housing Maintenance (Emergency Repair) last printed lien book reveals the following repair money due:

DATE: **3/26/2004**
AMOUNT: **0.00**

The result of the work-in progress search reveals that:

☒ There were no Emergency Repair(s) open purchase orders given out at the premises listed above subsequent to the above lien date.

☐ See attached information found for the premises listed above at HPD/Emergency Repair Division and are not posted in the last printed lien book.

☐ HPD lien records reflect property on Demolition Seal up listings.

☐ HPD records reflect property listed on Relocation of Tenant listings.

* For further details contact HPD at 110 Gold St., New York, N.Y.

148Z

THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCY WERE EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS A TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED HEREIN. NO LIABILITY IS ASSUMED.
SUPERIOR DATA SERVICES SHALL BEAR NO LIABILITY FOR ERRONEOUS OR INACCURATE INFORMATION PROVIDED BY THE DEPARTMENT OF FINANCE OR HOUSING PRESERVATION AND DEVELOPMENT INCLUDING BUT NOT LIMITED TO ERRORS DUE TO LOADING, KEY ENTRY, PROCESSING, DATA COMMUNICATIONS, HARDWARE OR SOFTWARE PROBLEM OR THE BACKDATING OF INFORMATION. RESPONSIBILITY LIMITED TO THOSE ITEMS AND INSTALLMENTS THAT ARE LIENS AS OF THE DATE OF THIS REPORT AND REFLECTED ON THE PUBLIC RECORDS.

THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY FOR THE EXCLUSIVE USE OF ROYAL ABSTRACT.

SUPERIOR DATA SERVICES, INC.
44 Court Street• Suite 300• Brooklyn, NY 11201
Phone: 718-625-9949 Fax: 718-625-9609

Title: ROYAL 822593 **Date:** 08/09/2004
Premises: 452/454 WEST 19TH STREET
County: MANHATTAN **Block:** 716 **Lot:** 64

NEW YORK CITY DEPARTMENT OF ENVIRONMENTAL PROTECTION (AIR RESOURCES SEARCH)

Please conduct a search in your department for any violations against the premises listed above.

Sincerely yours,

SUPERIOR DATA SERVICES

148AA

IMPORTANT NOTICE ABOUT THE VIOLATION SEARCH ABOVE
THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY AND FOR THE EXCLUSIVE USE BY ROYAL ABSTRACT. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE ATTACHED INFORMATION.

THE CITY OF NEW YORK DEPARTMENT OF ENVIRONMENTAL PROTECTION
59-17 Junction Boulevard, 9th Floor, Corona, New York 11368-5107
Bureau of Environmental Compliance
Records Control (718) 595 - 3855

Christopher O. Ward,
Commissioner

Robert C. Avaltroni
Deputy Commissioner

Date: 08/09/04

Superior Data Service, Inc..
44 Court Street Suite 300
Brooklyn, New York 11201

RE: TITLE SEARCH INQUIRY
Property location: 452/454 West 19th St.

Dear Sir/Madam:

Please be advised, it is a violation of the New York City Administrative Code, Title 24, Air Pollution Control Code, to operate fuel-burning, refuse or process equipment as specified in the Code without a valid Certificate. If such equipment, although unknown to us exists it is automatically in violation of the law. This applies regardless of the information provided herein.

The Division of Air/Noise Permitting, Enforcement and Policy have searched its regarding the above referenced premise and has found.

_____ No records for this premise.

✓ No outstanding record of violation(s)

_____ Additional information. See attachment(s). Please note that a certificate that has expired may be subject to violation unless the certificate is renewed or canceled by the current or potential owner. The owner, on the date of issuance of any violation, is responsible for both penalty and compliance.

148AB

RECORDS CONTROL UNIT
(718) 595-3855

Bureau of Environmental Compliance

59-17 Junction Blvd., Corona, N.Y. 11368
Records Control

Date: 08/17/04
Time 12:49 PM

Facility No.: 1 XMXL
Expires On:

CA524286Z

Registration
Active

Owner:

Z & R MGMT CORP.
1623 3 AVENUE
MANHATTAN NY 10128

Facility
Z & R MANAGEMENT
452 WEST 19 STREET
MANHATTAN NY 10011

Last Fee Assessed:	$ 190.00	07/23/98
Last Pay Amount:	$ 190.00	07/26/01
Balance Due:	$ .00	

Floor:

Boiler Make & Model : NEW GENERAL G-240-40 # of Identical Units: 1
Input Rating: 2380000 Gross BTU Rating: 2008500

Burner 1 Make & Model : NEW POWERFLAME C2-G-20A Fuel Type: 0
of Burners: 0

Usage : Hrs/Day: 4.5 Days/Week: 7 Weeks/Year: 52
Max Firing Rate: 2380

Fuel Type: 0

SUPERIOR DATA SERVICES, INC.

44 Court Street • Suite 300 • Brooklyn, NY 11201
Phone: 718-625-9949 Fax: 718-625-9609

Title: ROYAL 822593 **Date:** 8/11/2004
Premises: 452/454 WEST 19TH STREET
County: MANHATTAN
Block: 716 **Lot:** 64

HIGHWAY/SIDEWALK VIOLATION SEARCH

Kindly conduct a search in your department for any violations against the above premises.

A search of the records of the Department of Transportation indicates the following:

☒ NO VIOLATIONS FOUND

☐ SIDEWALK VIOLATION(S) ON FILE AS OF: 8/11/2004

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

ANY RELEASE OR DISMISSAL OF VIOLATION DOES NOT ENTITLE PROPERTY OWNERS TO A CANCELLATION OF BILLS ON RECORD IN THE OFFICE OF THE CITY COLLECTOR.

Sincerely yours,

SUPERIOR DATA SERVICES

148AD

SUPERIOR DATA SERVICES DOES HEREBY CERTIFY THAT THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCY WERE EXAMINED FOR ROYAL ABSTRACT. THE INFORMATION REPORTED ABOVE IS A TRUE AND ACCURATE ABSTRACT OF THE INFORMATION REPORTED THEREIN AND NO LIABILITY IS ASSUMED. THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY.

Christopher O. Ward
Commissioner
Robert C. Avaltroni
Deputy Commissioner

Department Of Environmental Protection

Bureau of Environmental Compliance

59-17 Junction Blvd., Corona, N.Y. 11368
Records Control
(718) 595-3855

Date: 09/27/04
Time 2:24 PM

Registration

Facility No.: 1 XMXL
Installation: CA524286Z
Expires On: 11/05/2007

Owner:

Z & R MGMT CORP.
1623 3 AVENUE
MANHATTAN NY 10128

PE/RA:

Facility

Z & R MANAGEMENT
452 WEST 19 STREET
MANHATTAN NY 10011

Agent

Floor:

Boiler Make & Model : NEW GENERAL G-240-40 # of Identical Units: 1
Input Rating: 2380000 Gross BTU Rating: 2008500

Burner 1 Make & Model : NEW POWERFLAME C2-G-20A Fuel Type: G
of Burners: 1

Usage : Hrs/Day: 4.5 Days/Week: 7 Weeks/Year: 52
Max Firing Rate: 2380

Special Conditions / Limitations

-

R.A. Hodge, P.E.
Director of Engineering

148AE

NYC BUILDINGS

LOW PRESSURE BOILER ANNUAL INSPECTION REPORT

12170- 4 2005

Enclose check or money order ($30.00 per device) payable to: NYC Department of Buildings
Send to: DOB, 280 Broadway 4th floor, New York, New York 10007 Attention Boiler Division

Only printed or type written forms accepted

1 Job Data

Borough	Manhattan	Block	716	Lot(s)	64
House No(s).	452	Street Name	W. 19 ST.	Floors	5
Special Place Name					

2 Building Occupancy

X	Multiple Dwelling		Commercial		Mixed Use		Other	Total Number of Units (residential or commercial): 16 Units

3 Owner

Name	MARK ZWEIBON			Business Phone	(212) 926-6000
Address	452 W. 19 ST.	City	N.Y.	State	NY ZIP 10011
Contact Person		Relationship to owner		Business Phone	( )
Address		City		State	ZIP

4 Fee Status

X	Fee	If Fee Exempt, check off type of acceptable proof enclosed below:			
			Real Estate $0.00 tax bill		Verification Letter from Department of Finance

5 Inspection Report

Type of inspection: | | Internal | X | External

Number of Boilers Inspected 1 X $30.00 each = $ 30.00 (DOB Filing Fee) | Inspection Date: 03 / 15 / 05

NYC Boiler Number	Pressure	Boiler Make	Floor	Violations Found: "NV" for No Violation or enter Description(s)
1. MD68920-1	15	GENERAL	CELLAR	NV
2.				
3.				
4.				
5.				
6.				

BOILERS TO BE INSPECTED IN ACCORDANCE WITH REQUIREMENTS OF NY STATE LABOR LAW SECTION 204, NY STATE DEPARTMENT OF LABOR RULES AND REGULATIONS 12 NYCRR 4, AND NEW YORK CITY BUILDING CODE, TITLE 27, CHAPTER 1, SUBCHAPTERS 7 AND 14 AND REFERENCE STANDARD RS-14.

6 Boiler Insurance Company (Fill out ONLY if insurance company performs inspection.)

Insurance Company					
Address		City		State	ZIP
Contact Person				Business Phone	( )

7 Authorized NYC Boiler Inspector

SEAL

COPY

Name Bruno A. Tucci Jr. License No. 5325-B

Check off the appropriate type: | X | Oil Burner Equipment Installer | | Insurance Company Rep. | | High Pressure Boiler Operator | | Master Plumber

Signature Date 3/15/05

Falsification of any statement is a misdemeanor under section 26-124 of th Administrative Code and is punishable by a fine, imprisonment, or both. Bribery is a crime; a person who gives or offers a bribe or gratuity to any employee of the City of New York or an employee who takes or solicits a bribe or gratuity is guilty of a felony, punishable by a fine, imprisonment, or both.

THIS INSPECTION REPORT WILL NOT BE ACCEPTED IF THE FORM IS INCOMPLETE. THIS FORM MUST BE RECEIVED BY THE BOILER DIVISION WITHIN 30 DAYS OF INSPECTION DATE. IF THE REPORT IS NOT FILED BY THE OWNER PRIOR TO JANUARY 1st, THE OWNER SHALL BE LIABLE FOR A CIVIL PENALTY, PURSUANT TO§ 26-125 OF THE ADMINISTRATIVE CODE.

INTERNAL USE ONLY

DOB AUDIT — Inspector's Name			Badge Number	Inspection Date
Violation Issued		No Violation Found	Comments:	
Audit Results:		Passed / Failed		
Date entry date	Initials			

NYC BUILDINGS

Elevator Inspection / Test Report

By Approved Private Elevator Inspection Agency

Please File The Original With 2 Copies Report Must Be Typewritten
NYC Department of Buildings, 280 Broadway, New York, NY 10007
Attn: Budget & Fiscal Unit, 6th Floor.

Date DOB notified of 5 year test date

1 Location Information

Borough Manhattan
Address 152 WEST 19TH STREET
Block 716 Lot 64 BIN
Application Number (if applicable)

2 Report Type

☑ Mandated Private Elevator Inspection (LL10/81)
☐ Replacement / Modification Sign-off - PPN# 26/90
2 Year Test ☐ 3 Year Test ☐ 5 Year Test ☐

3 Fee Status

☑ Fee (LL 10/81 only) ☐ Fee Exempt w/Acceptable Proof Enclosed ☐ Real estate $0.00 tax bill: ☐ Verification letter from Finance Dept.

4 Applicant Information

Approved Private Elevator Inspection Agency	Owner
Company Name United Elevator Consultants, Inc.	Name DONALD ZWIERON
Agency Certification # L271-001	Title AGENT
Address 2 Pennsylvania Plaza - Suite 1915	Business Name Z & R MANAGEMENT
City New York State NY ZIP 10121	Address 1623 THIRD AVENUE
Phone (212) 594-6060 E-mail address	City NEW YORK State NY ZIP 10028
Inspector Name Achille Alfano Certification # L271-008	Phone 212-926-6000 E-mail address

5 Inspection / Test Information *** If filing for more than 5 devices, use form ELV-3A for the additional device(s) information ***

Device Number	Inspection/Test Date	Total Number of Devices Filing For (including Additional Devices on ELV-3A): 1 — Device type			Note: You must complete the reverse side for all unsatisfactory results — Inspection Result	Internal Use
1. 1233651	9/8/2005	☑ Passenger	☐ Sidewalk	☐ Handicap Lift	☒ Satisfactory	
		☐ Freight	☐ Manlift	☐ Elevette-Public	☐ Unsatisfactory	
		☐ Escalator	☐ Moving walk	☐ Other		
2.		☐ Passenger	☐ Sidewalk	☐ Handicap Lift	☐ Satisfactory	
		☐ Freight	☐ Manlift	☐ Elevette-Public	☐ Unsatisfactory	
		☐ Escalator	☐ Moving walk	☐ Other		
3.		☐ Passenger	☐ Sidewalk	☐ Handicap Lift	☐ Satisfactory	
		☐ Freight	☐ Manlift	☐ Elevette-Public	☐ Unsatisfactory	
		☐ Escalator	☐ Moving walk	☐ Other		
4.		☐ Passenger	☐ Sidewalk	☐ Handicap Lift	☐ Satisfactory	
		☐ Freight	☐ Manlift	☐ Elevette-Public	☐ Unsatisfactory	
		☐ Escalator	☐ Moving walk	☐ Other		
5.		☐ Passenger	☐ Sidewalk	☐ Handicap Lift	☐ Satisfactory	
		☐ Freight	☐ Manlift	☐ Elevette-Public	☐ Unsatisfactory	
		☐ Escalator	☐ Moving walk	☐ Other		

6 Statements and Signatures

The elevator(s) described above and on attached sheets have been inspected/tested by the above named Approved Elevator Inspection Agency in accordance with all Administrative Code Provisions and Departmental Rules, Regulations and Directives. The results of these inspections/tests are indicated above. A copy of this report has been given to the owner of the building.

Falsification of any statement is a misdemeanor under § 26-124 of the NYC Administrative Building Code and is punishable by a fine or imprisonment, or both.

It is unlawful to give to a city employee, or for a city employee to accept, any benefit, monetary or otherwise, either as a gratuity for properly performing the job or in exchange for special consideration. Violation is punishable by imprisonment or fine or both.

Inspection Agency Director Name William McGrath Date
Director's Signature (No Stamp)
Agency Inspector Name Achille Alfano Date
Inspector Signature (No Stamp)
Owner Name DONALD ZWIERON Date
Owner Signature (No Stamp)

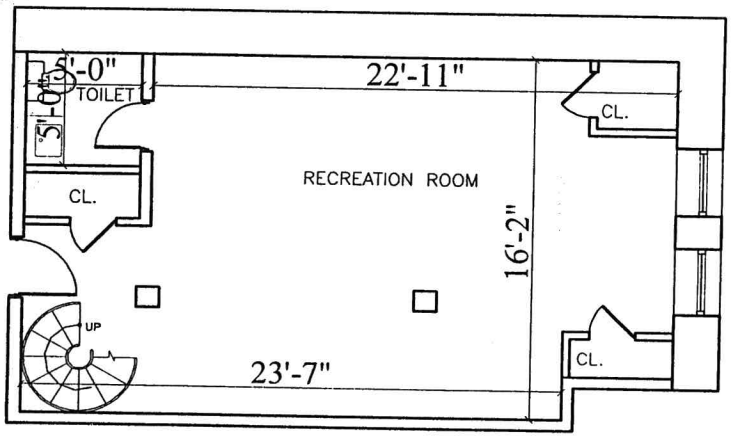
For internal use only	Report Number	Date Received	Fee Paid	Transaction No.	Accepted	Rejected	Reason

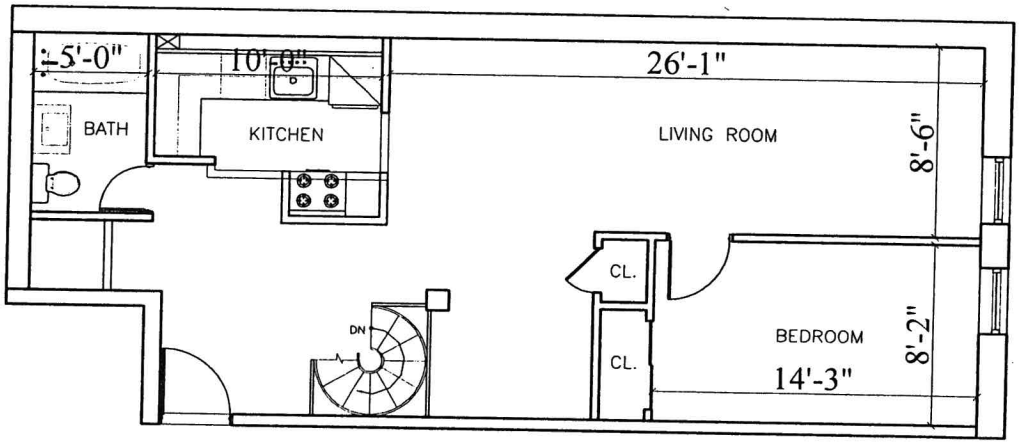
Revised 07/01/2004 ELV-3 Page 1

452 WEST 19th STREET, NEW YORK, NY.10011

CELLAR & 1st FLOOR PLAN

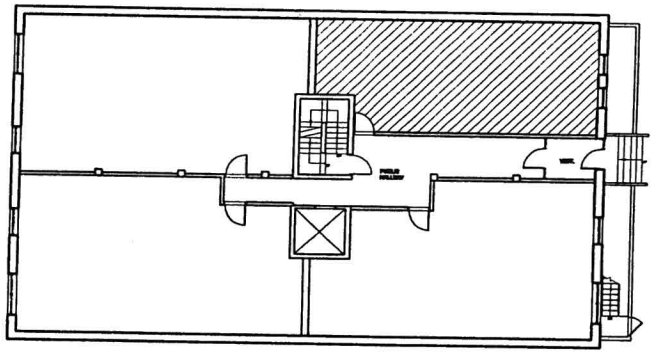
148AH





Scale

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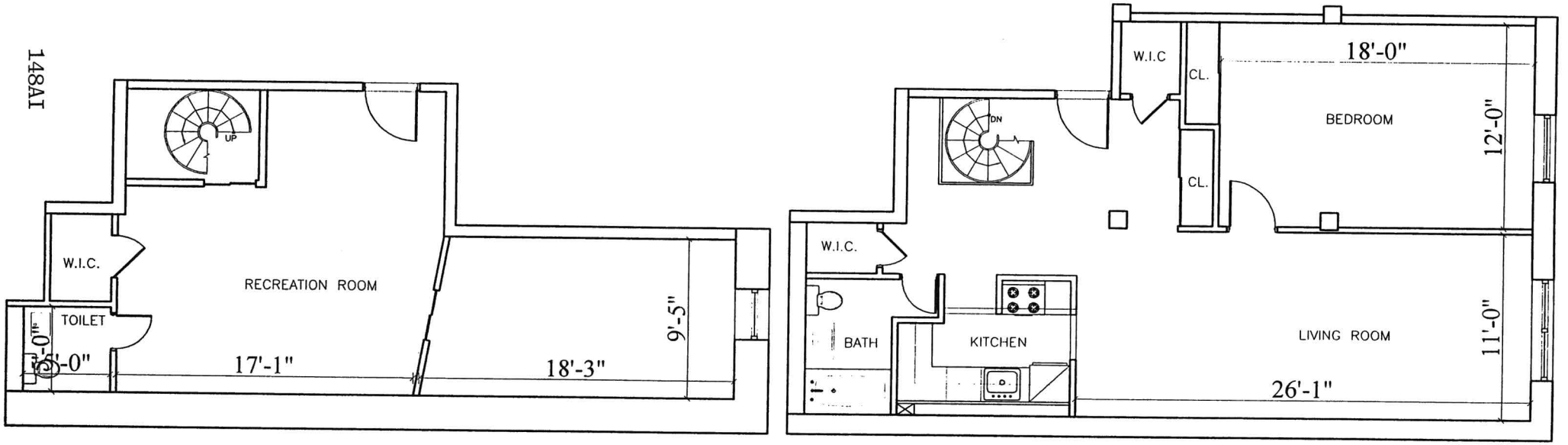


TAX LOT	UNIT	AREA (S.F)
1001	1A	1320

452 WEST 19th STREET, NEW YORK, NY.10011

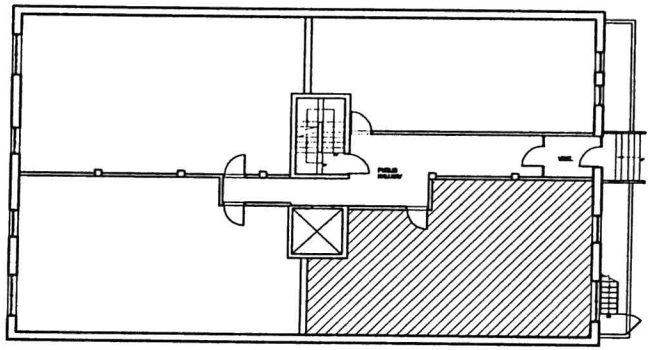
CELLAR & 1st FLOOR PLAN

148AI



Scale
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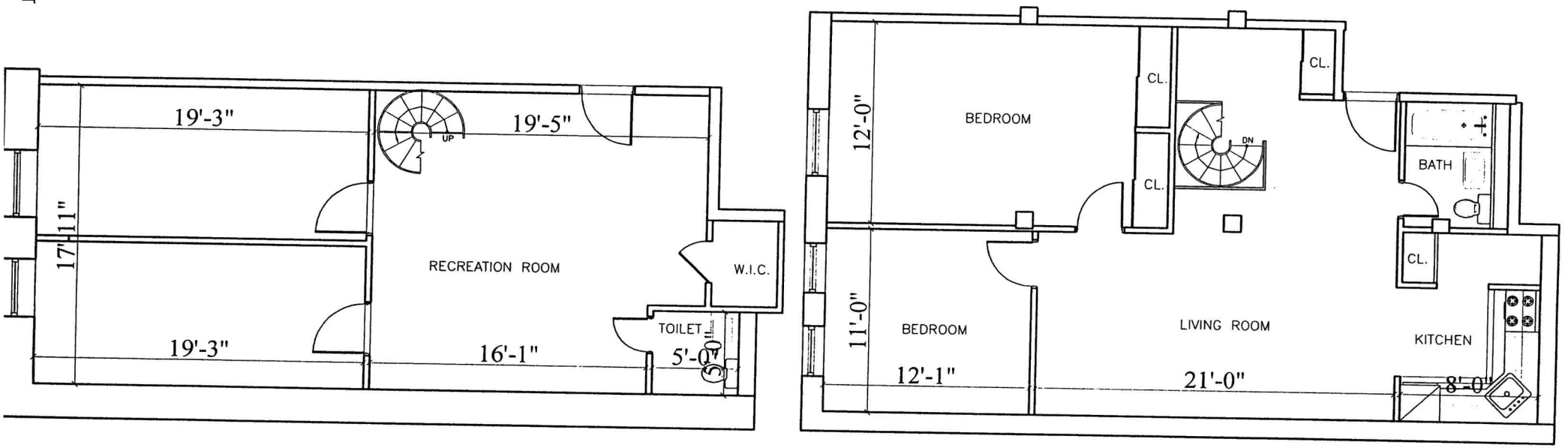


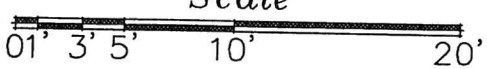
TAX LOT	UNIT	AREA (S.F)
1002	1B	1616

452 WEST 19th STREET, NEW YORK, NY.10011

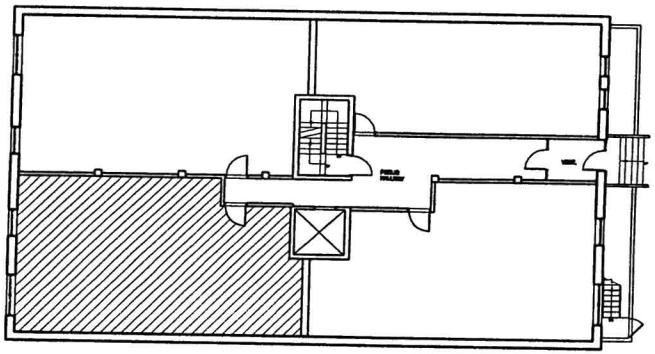
CELLAR & 1st FLOOR PLAN

148AJ





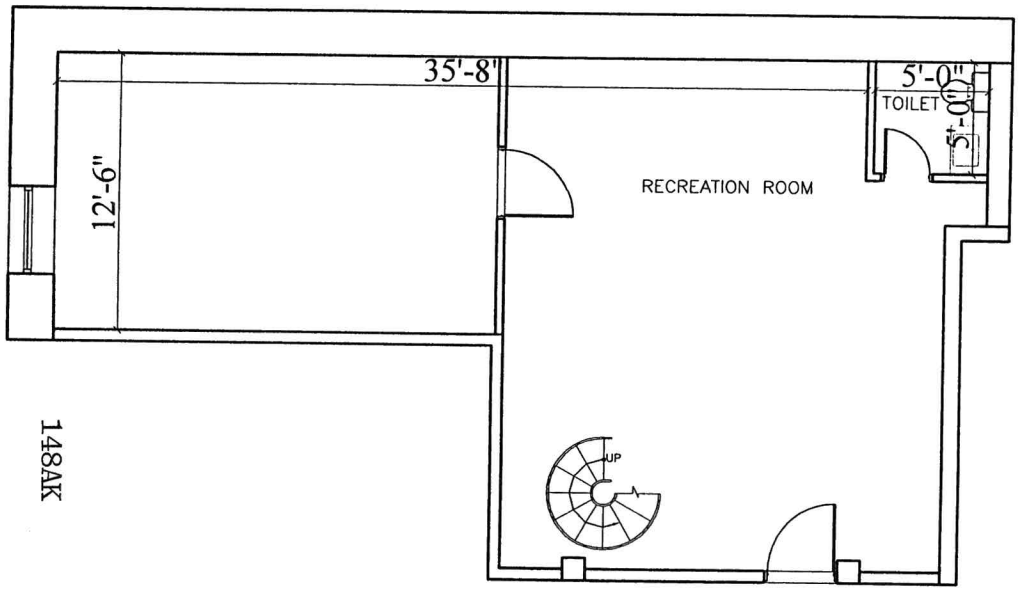


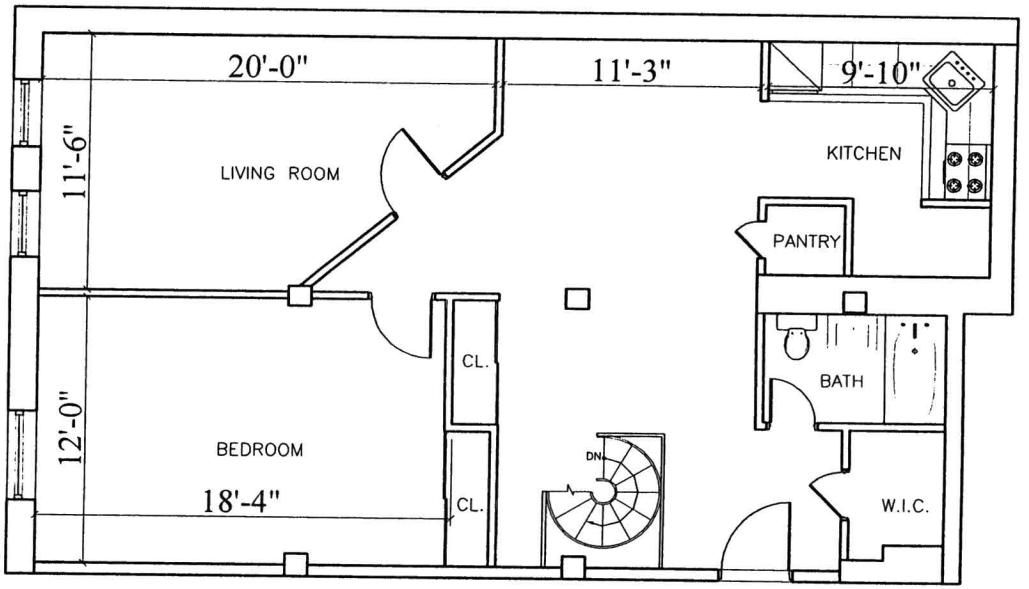


TAX LOT	UNIT	AREA (S.F)
1003	1C	1878

452 WEST 19th STREET, NEW YORK, NY.10011

CELLAR & 1st FLOOR PLAN



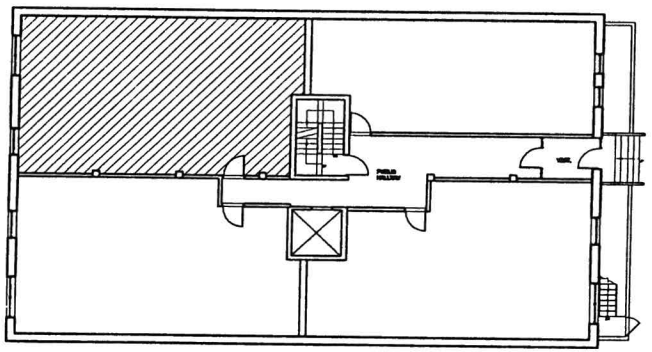


148AK

Scale

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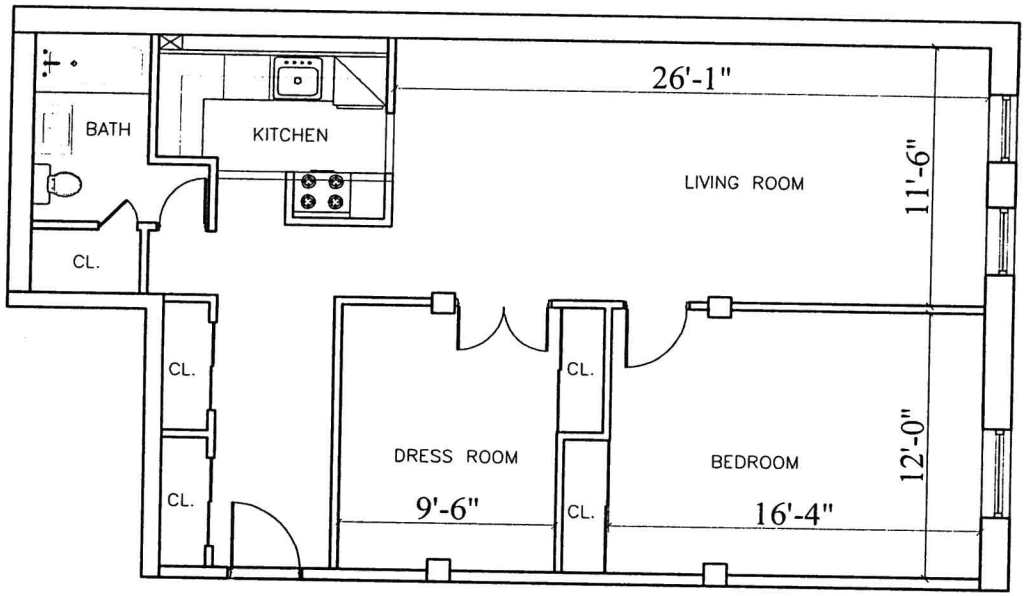


TAX LOT	UNIT	AREA (S.F)
1004	1D	1916

452 WEST 19th STREET, NEW YORK, NY.10011

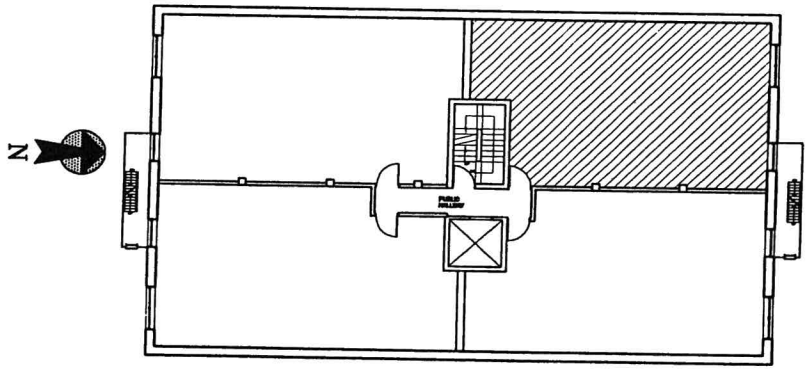
2nd FLOOR PLAN

148AL



Scale

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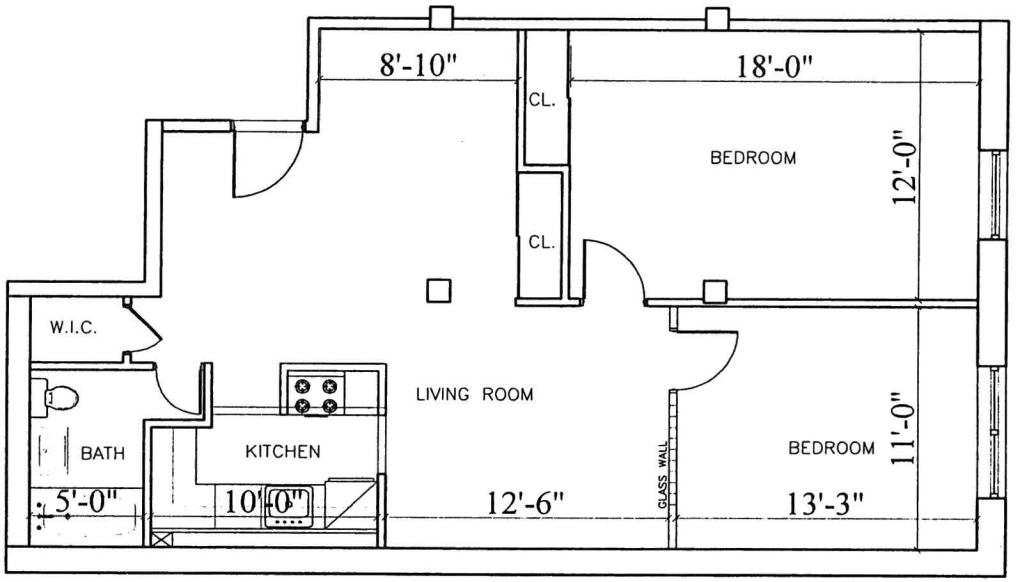


TAX LOT	UNIT	AREA (S.F)
1005	2A	1024

452 WEST 19th STREET, NEW YORK, NY.10011

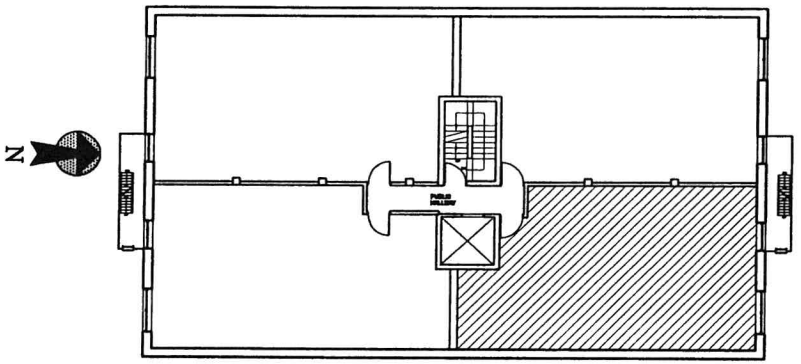
2nd FLOOR PLAN

148AM



Scale

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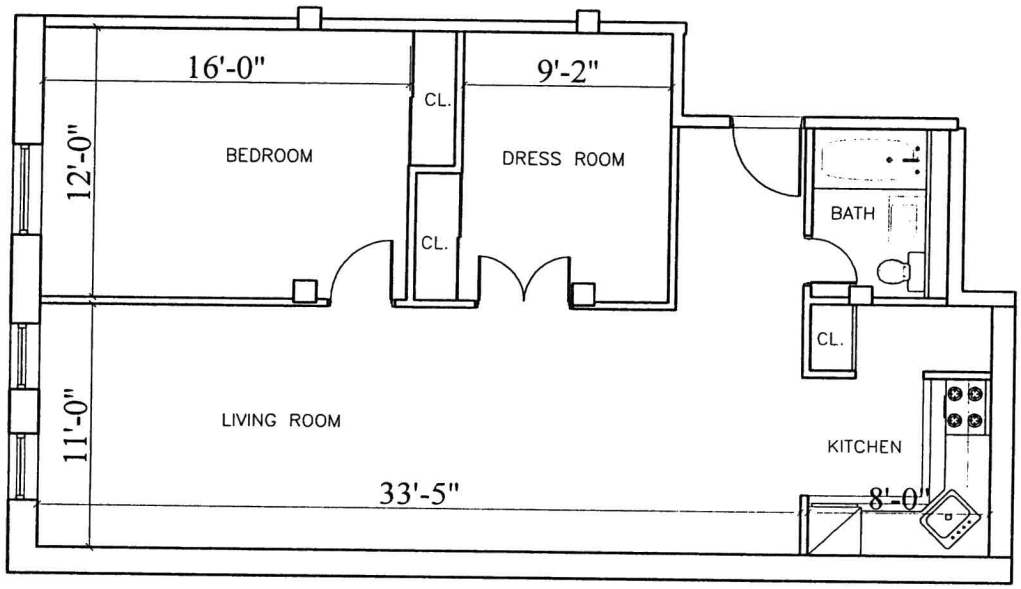


TAX LOT	UNIT	AREA (S.F)
1006	2B	987

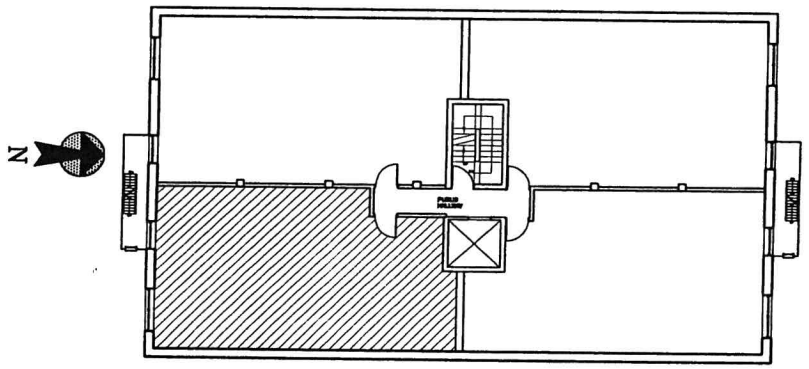
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2nd FLOOR PLAN

148AN



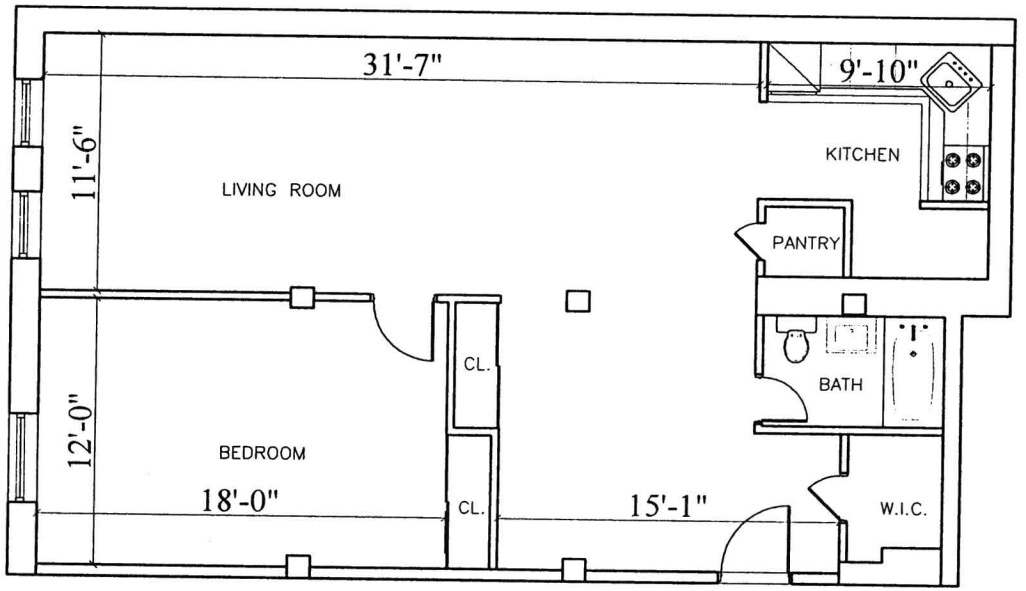
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TAX LOT	UNIT	AREA (S.F)
1007	2C	1006

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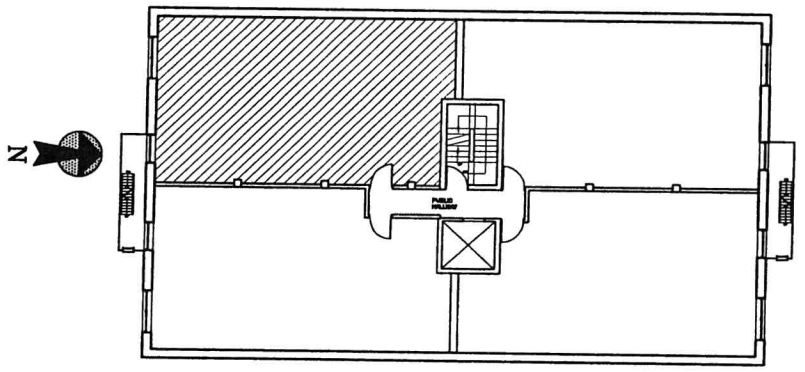
2nd FLOOR PLAN



148A0

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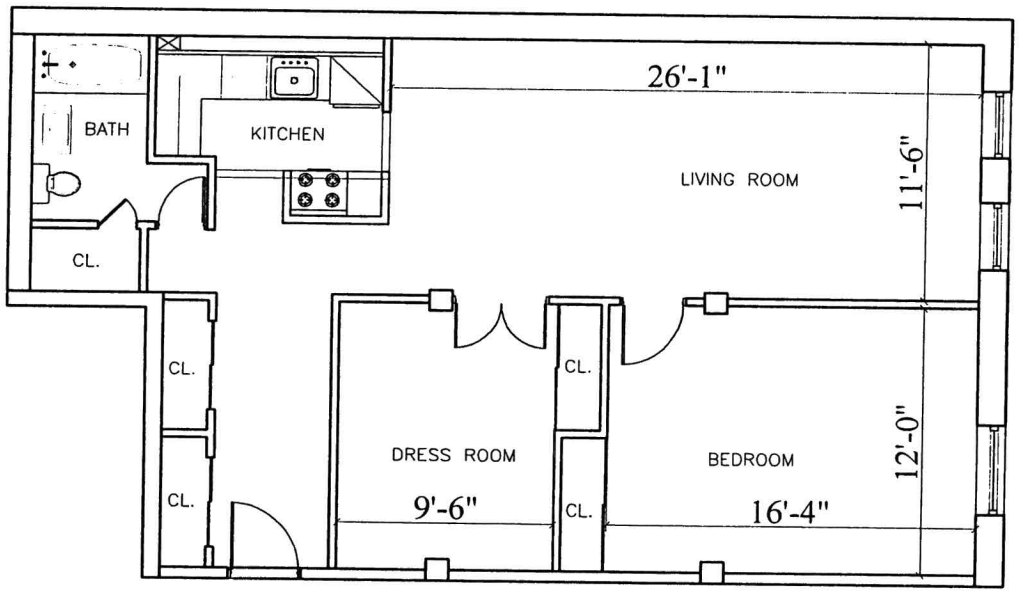
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TAX LOT	UNIT	AREA (S.F)
1008	2D	1073

452 WEST 19th STREET, NEW YORK, NY.10011

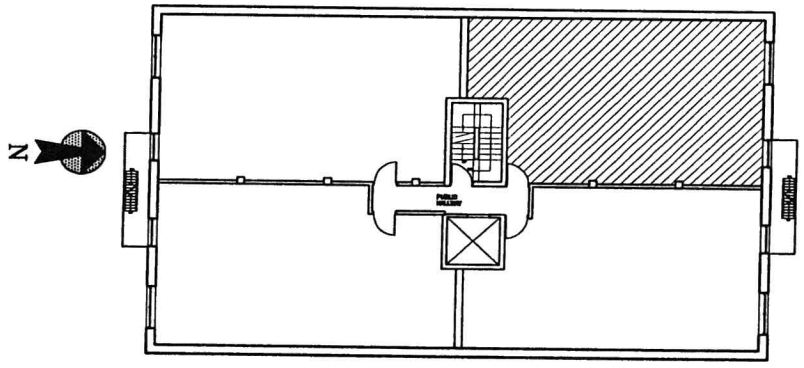
3rd FLOOR PLAN



148AP

Scale

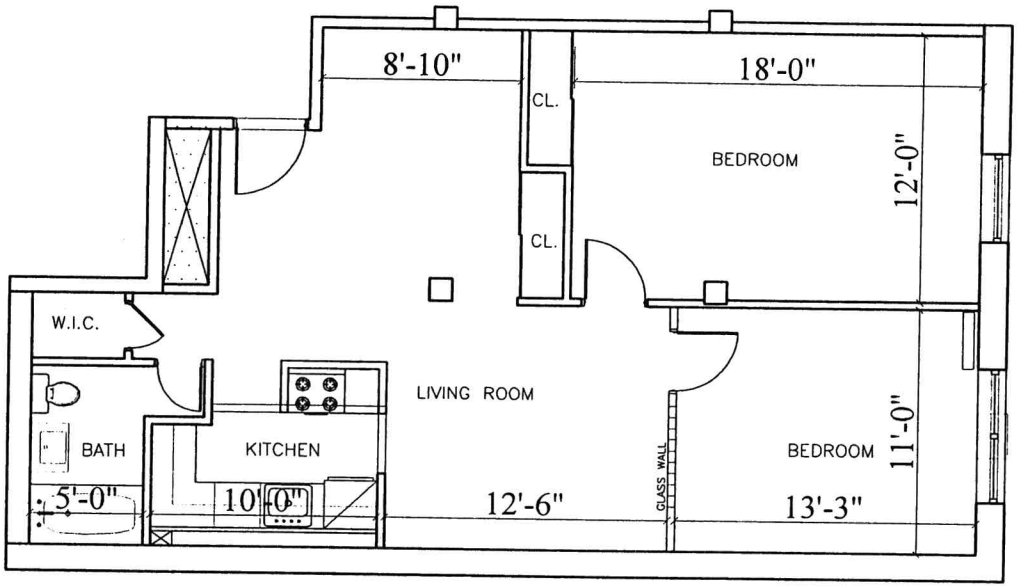
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TAX LOT	UNIT	AREA (S.F)
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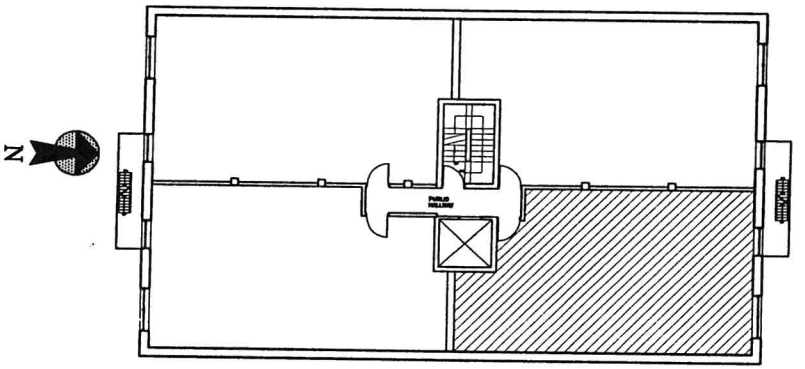
452 WEST 19th STREET, NEW YORK, NY.10011

3rd FLOOR PLAN



Scale

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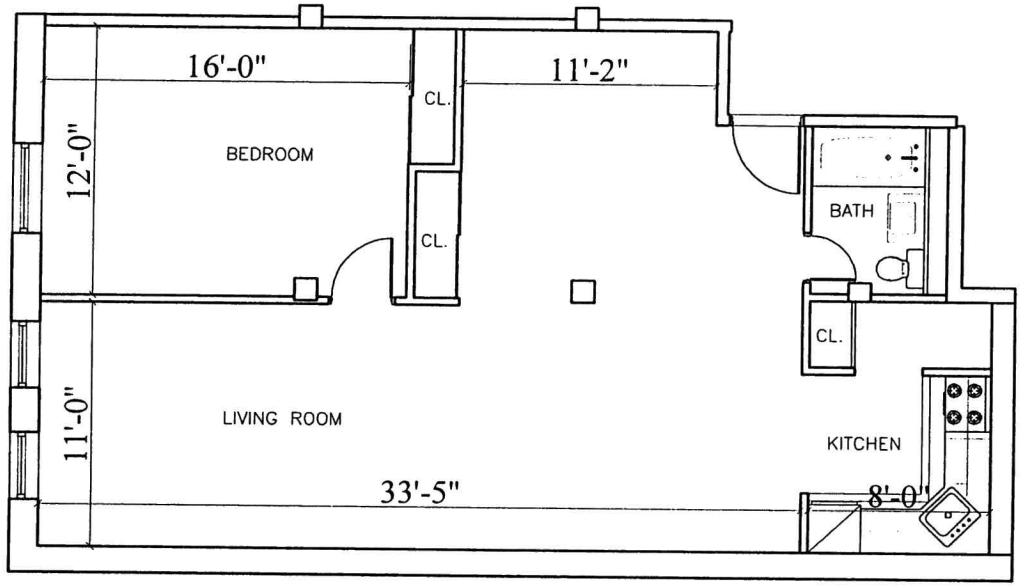


TAX LOT	UNIT	AREA (S.F)
1010	3B	987

148AQ

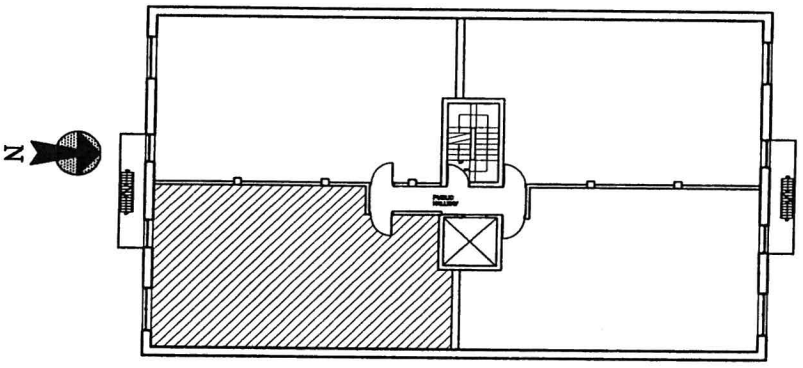
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3rd FLOOR PLAN



148AR

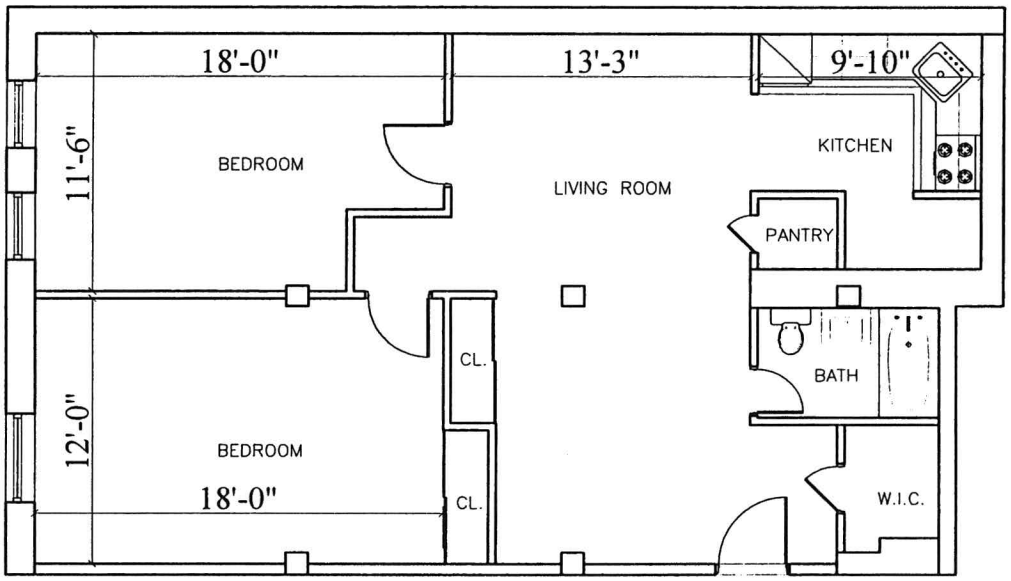
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TAX LOT	UNIT	AREA (S.F)
1011	3C	1006

452 WEST 19th STREET, NEW YORK, NY.10011

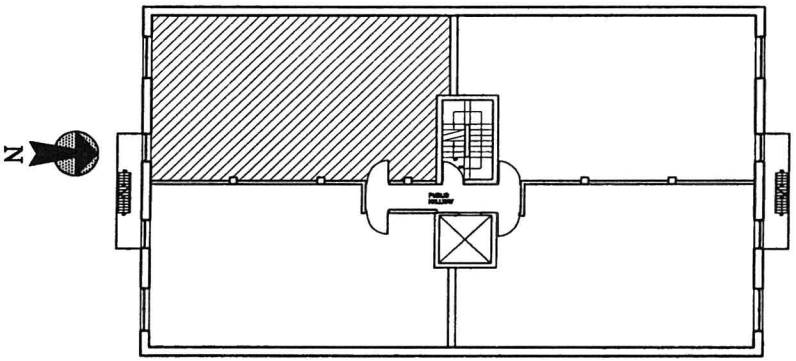
3rd FLOOR PLAN



148AS

Scale

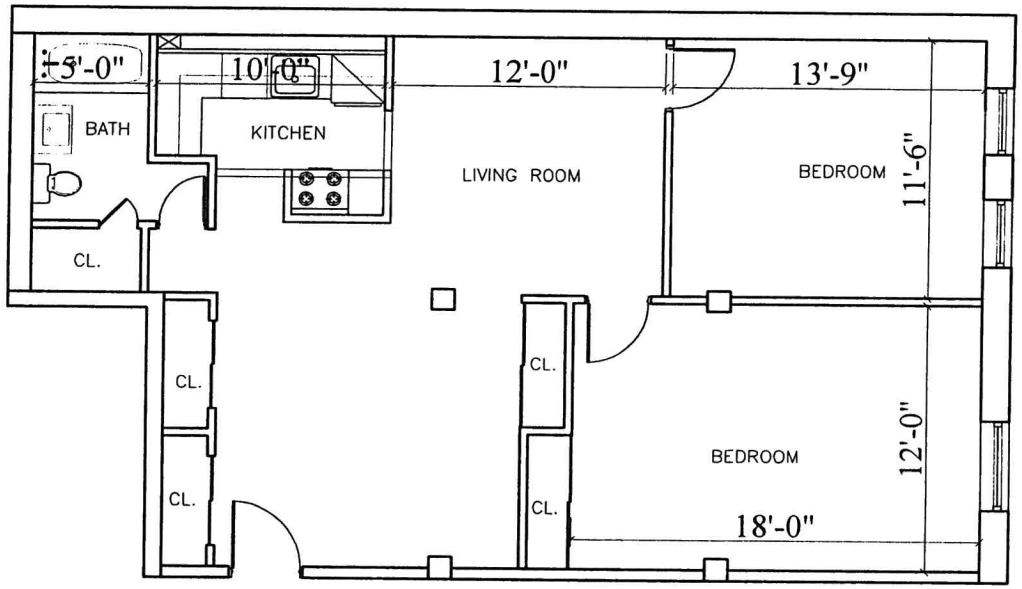
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TAX LOT	UNIT	AREA (S.F)
1012	3D	1073

452 WEST 19th STREET, NEW YORK, NY.10011

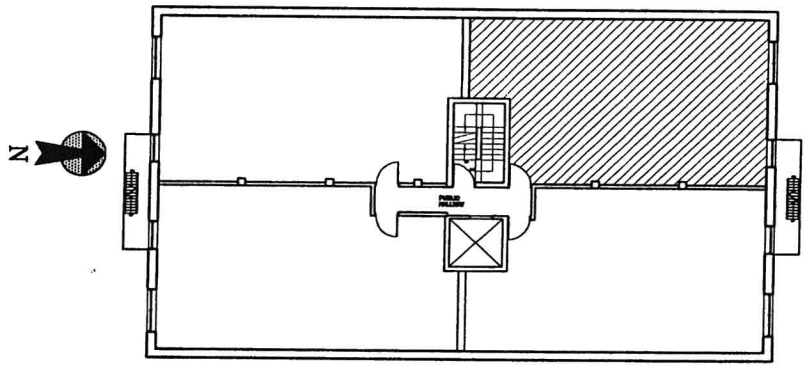
4th FLOOR PLAN



148AT

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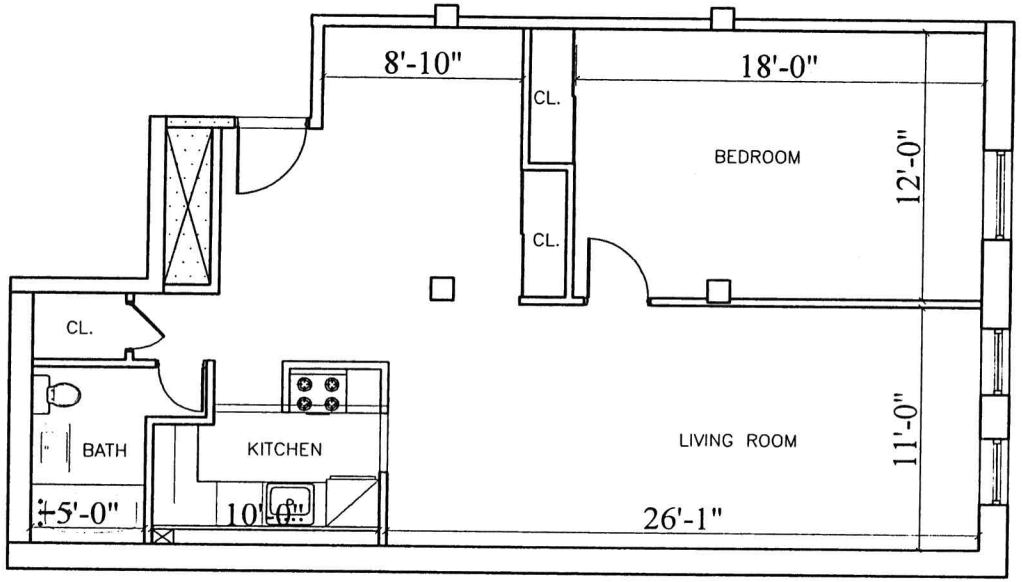


TAX LOT	UNIT	AREA (S.F)
1013	4A	1024

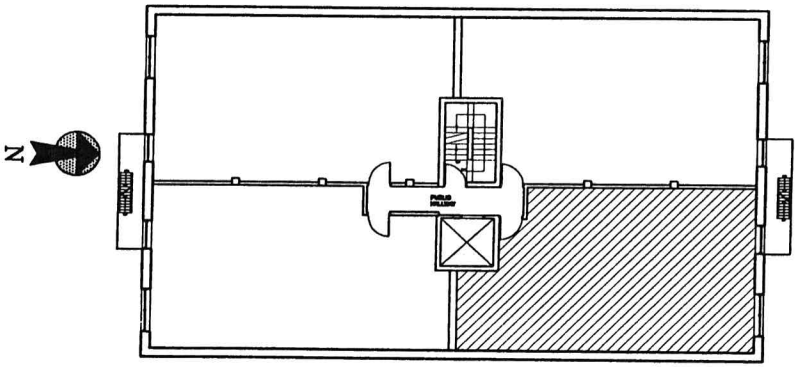
452 WEST 19th STREET, NEW YORK, NY.10011

4th FLOOR PLAN

148AU



Scale
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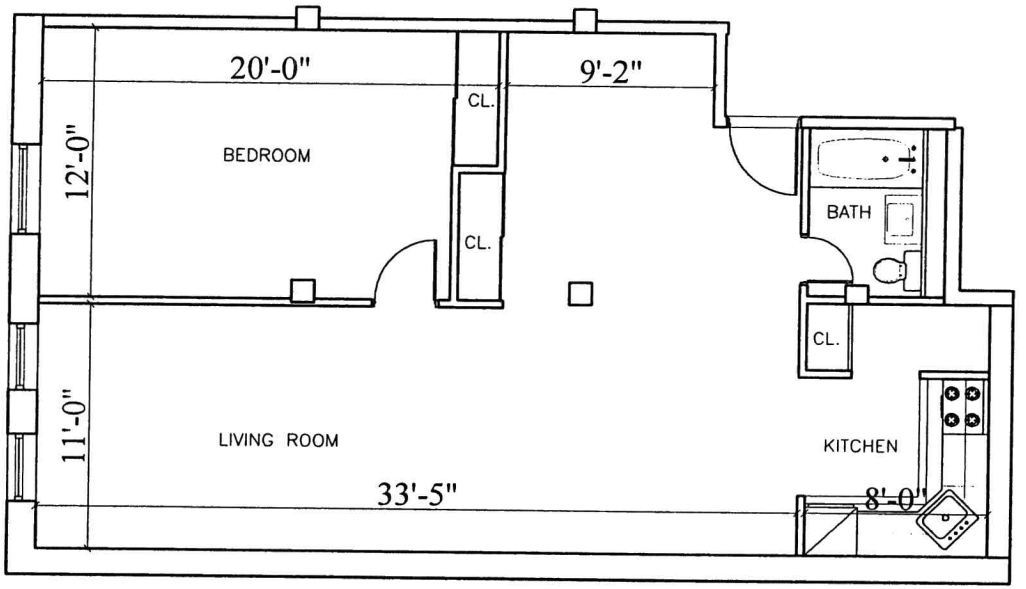


TAX LOT	UNIT	AREA (S.F)
1014	4B	987

452 WEST 19th STREET, NEW YORK, NY.10011

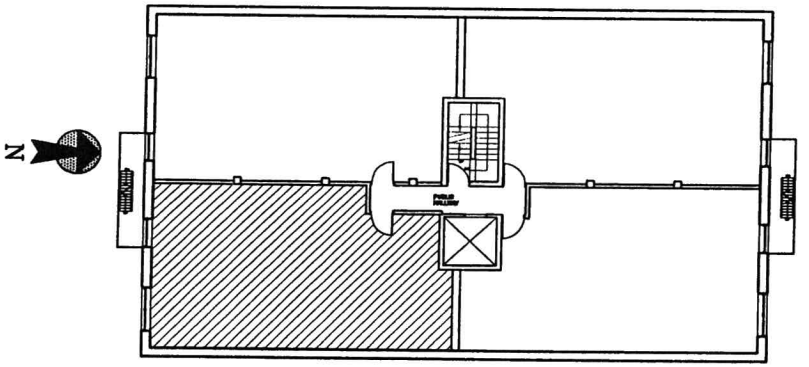
4th FLOOR PLAN

148AV



Scale

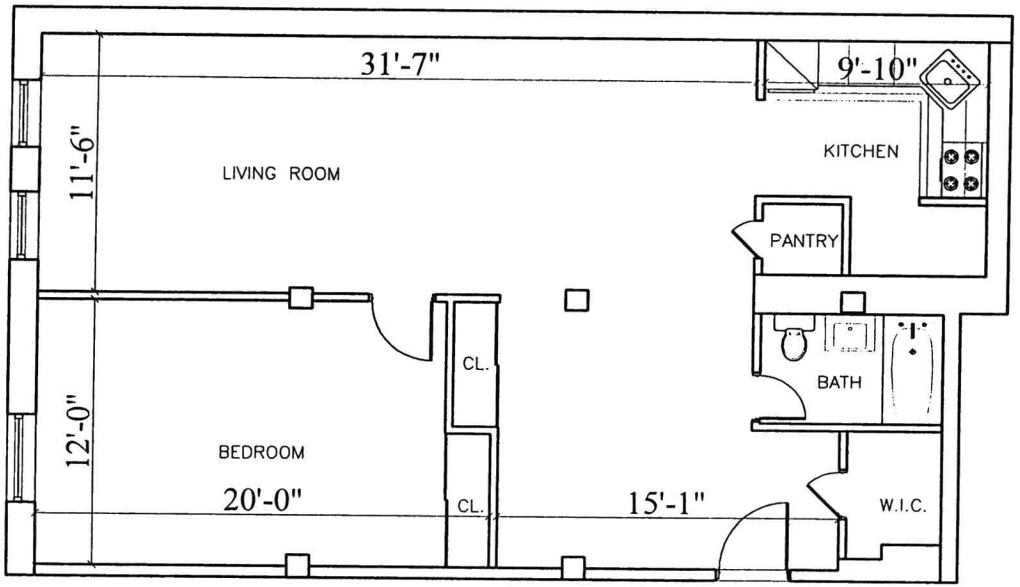
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TAX LOT	UNIT	AREA (S.F)
1015	4C	1006

452 WEST 19th STREET, NEW YORK, NY.10011

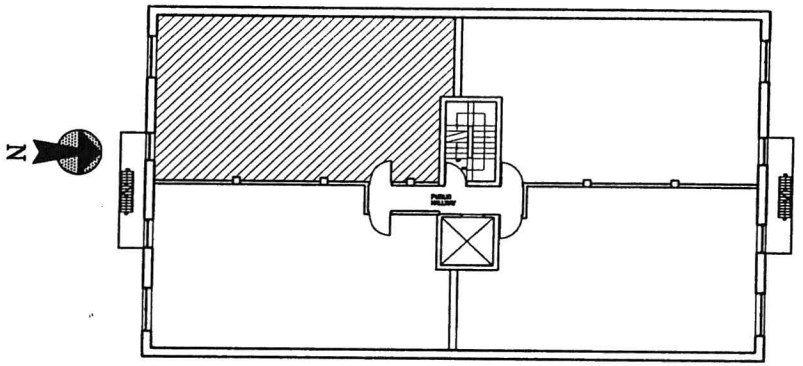
4th FLOOR PLAN



148AW

Scale

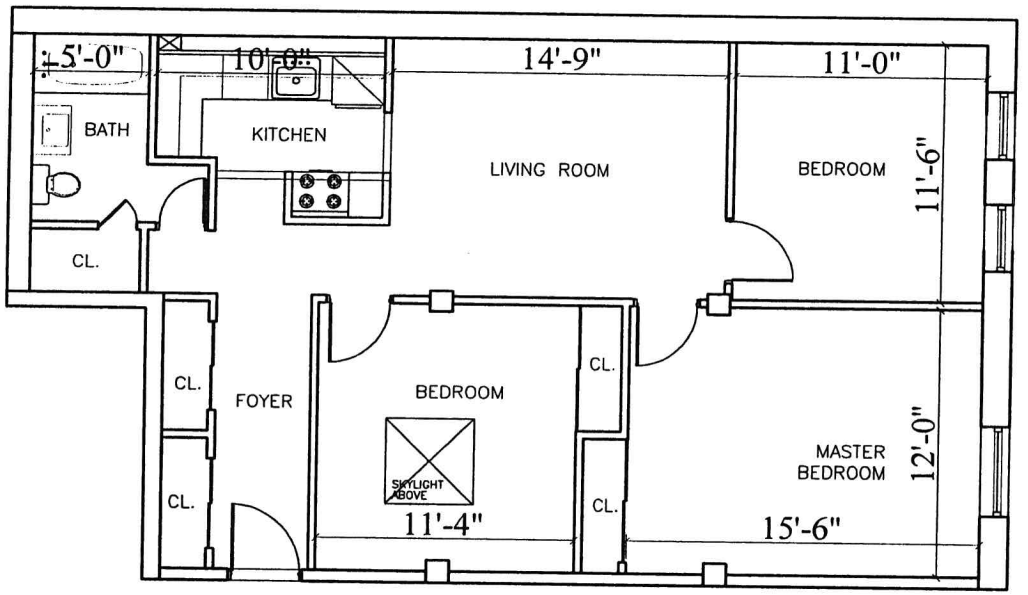
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TAX LOT	UNIT	AREA (S.F)
1016	4D	1073

452 WEST 19th STREET, NEW YORK, NY.10011

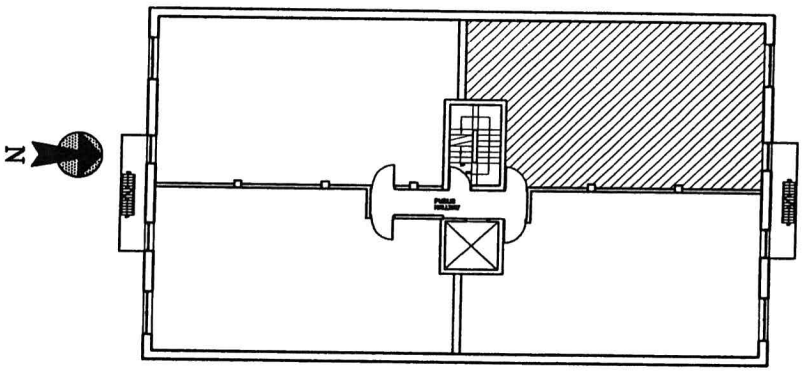
5th FLOOR PLAN



148AX

Scale

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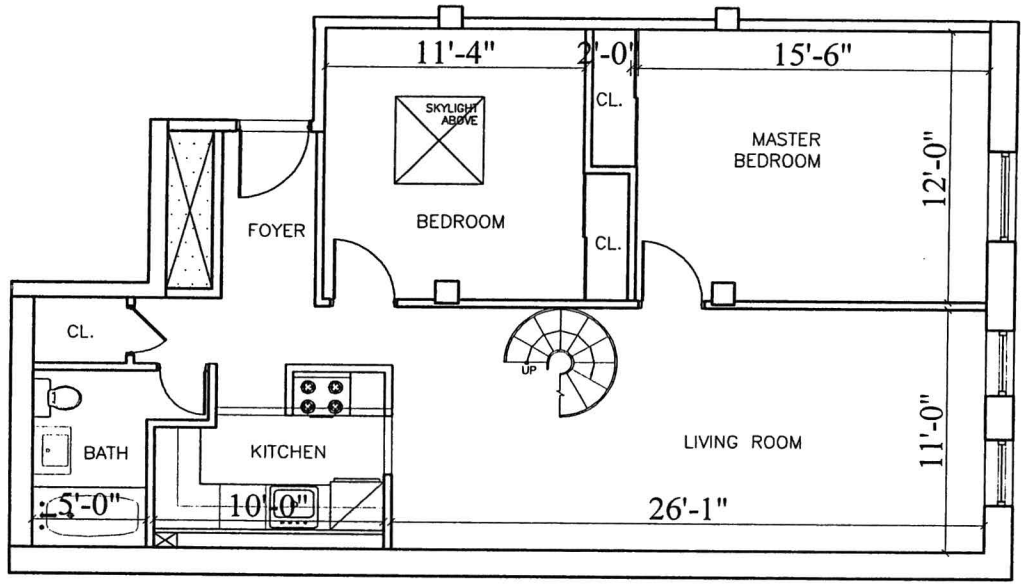


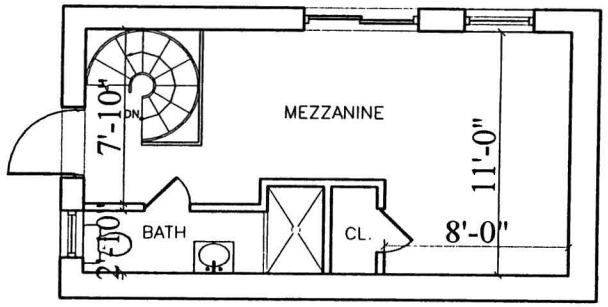
TAX LOT	UNIT	AREA (S.F)
1017	5A	1024

452 WEST 19th STREET, NEW YORK, NY.10011

5th & MEZZ. FLOOR PLAN

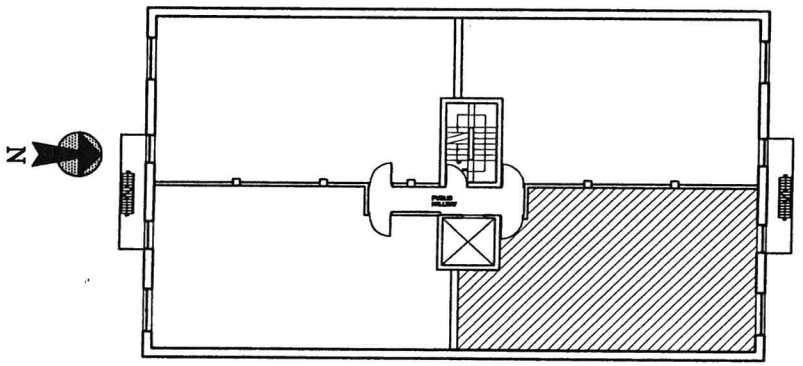
148AY





Scale

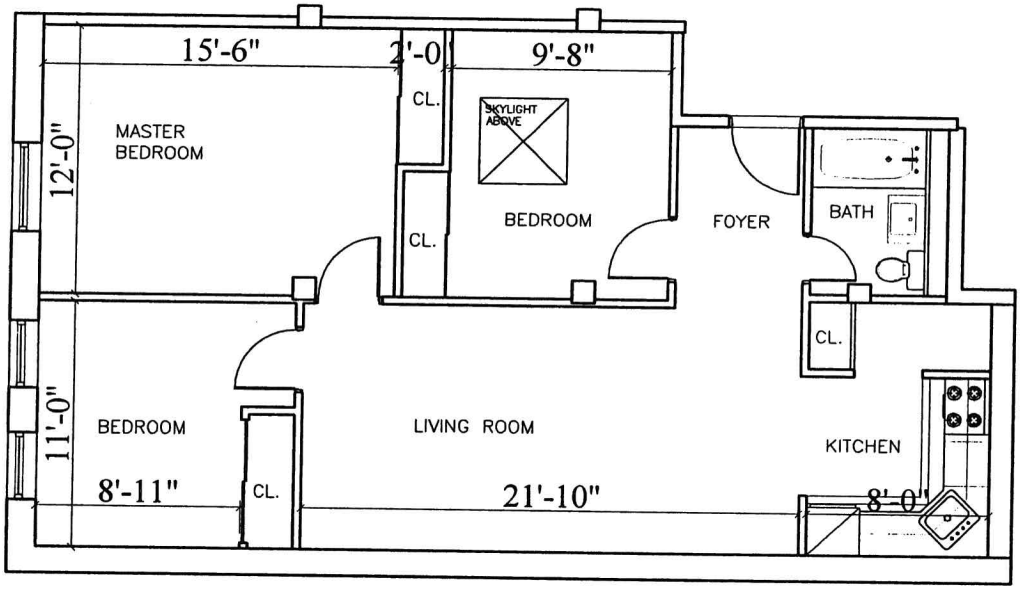
01' 3' 5' 10' 20'



TAX LOT	UNIT	AREA (S.F)
1018	5B	1296

452 WEST 19th STREET, NEW YORK, NY.10011

5th FLOOR PLAN

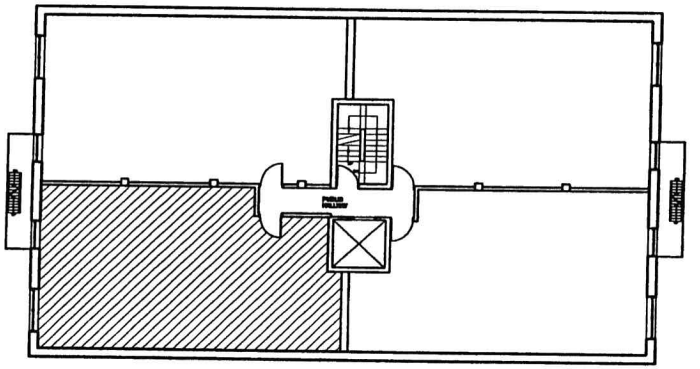


148AZ

Scale

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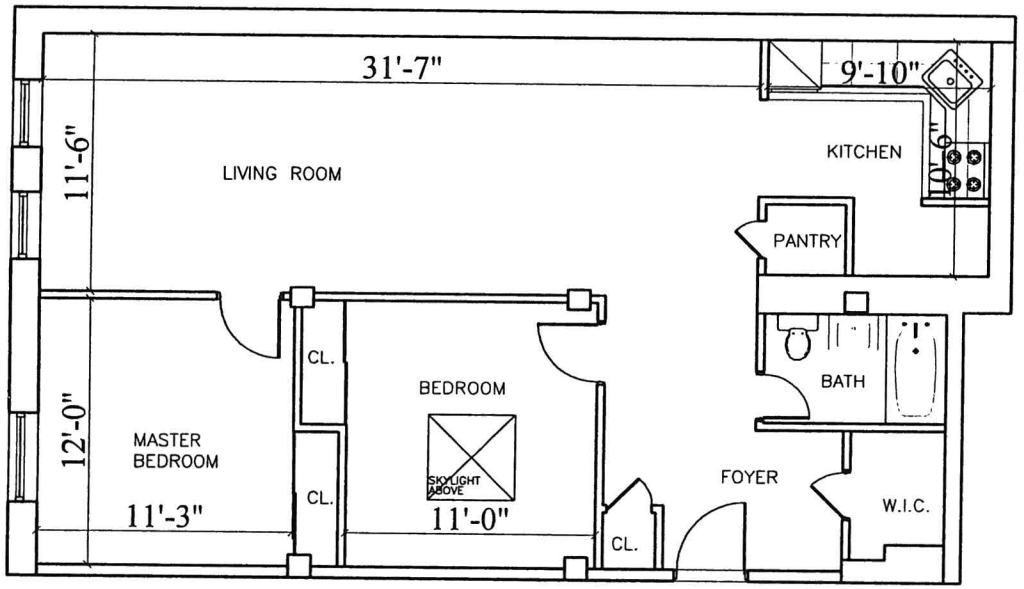


TAX LOT	UNIT	AREA (S.F)
1019	5C	1006

452 WEST 19th STREET, NEW YORK, NY.10011

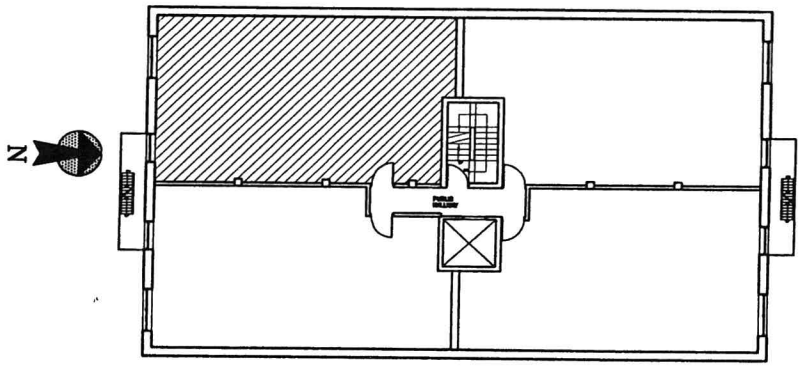
5th FLOOR PLAN

148AAA



Scale

01' 3' 5' 10' 20'



TAX LOT	UNIT	AREA (S.F)
1020	5D	1073

PART II

PURCHASE AGREEMENT

PURCHASE AGREEMENT

---

452 WEST COMPANY, as Seller,

with

as Purchaser.

For Unit Number

at

The 452 West 19 Condominium
452 West 19th Street
New York, New York 10011

PURCHASE AGREEMENT made this __ day of _____, 200_ between **452 WEST COMPANY**, as Seller, and _____ as Purchaser

Recitals:

(1) The name of the Condominium is The 452 West 19 Condominium.

(2) The name of the Seller is 452 West Company.

(3) The Purchaser is _____.

(4) The address of the Property is 452 West 19th Street, New York, New York.

(5) The Unit covered by this Purchase Agreement is the Unit designated in the Declaration as Unit Number _____

(6) Information for Non-Tenant Purchasers:

Unit Occupied: Yes ____ No_____ n/a
Date Existing Lease Expires:_____n/a
Monthly Rent Under Existing Lease or Tenancy: n/a

(7) The Common Interest appurtenant to the Unit is _____%.

(8) The use of the Unit is Residential.

(9) The Purchaser's address is _____
_____.

(10) The Purchaser's social security number or tax identification number is _____.

(11) The Purchase Price is $_____.

(12) The Down Payment payable herewith is $_____ constituting (i) 10% of the Purchase Price plus (ii) the cost of any special work for the Unit ordered by the Purchaser.

(13) The balance of the Purchase Price (the **"Balance"**) is $_____.

1. The Plan. The Purchaser acknowledges having received and read the Plan at least three (3) full business days prior to the Purchaser's signing this Agreement. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) and agrees to be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by the Seller (including, without limitation, amendments involving any changes, modifications or updating of the estimated Common Charges, the estimated real estate taxes to be paid by the Purchaser or the section of the Plan entitled **"Schedule B: Projected Budget for the First Year of Condominium Operation."**) Any such amendments shall not excuse the Purchaser from performing the Purchaser's obligations hereunder, nor shall they entitle the Purchaser to any offset or credit against the performance of the Purchaser's obligations hereunder, nor shall they entitle the Purchaser to any offset or credit against the Purchase Price. Any such amendments may be made by the Seller without the Purchaser's consent or approval, subject, however, to the Purchaser's right to rescind in the event of a material amendment to the Plan or the Condominium Documents which adversely affects in any material respect the Purchaser's rights hereunder or under the Plan as more specifically set forth in the Plan. The Plan is hereby incorporated in this Agreement with the same force and effect as if set forth at length herein. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding. The Purchaser acknowledges having had a full opportunity to examine all documents and investigate all statements made herein and in the Plan.

2. Definitions.

(1) Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Plan, unless the context otherwise requires.

(2) The terms **"closing," "closing of title"** and words of similar import are used synonymously and mean the settlement of the mutual obligations of the Seller and the Purchaser under this Agreement, including the payment to the Seller of the Purchase Price and the delivery to the Purchaser of the deed transferring full ownership (fee simple title) to the Unit on the terms set forth in this Agreement.

3. Agreement to purchase. The Seller agrees to sell and convey, and the Purchaser agrees to purchase, the above-described unit together with the above-stated Common Interest appurtenant thereto (collectively **"Unit"**) for the Purchase Price stated above, upon and subject to the terms and conditions set forth in this Agreement.

4. Payment of the Purchase Price.

(a) The Purchaser shall deliver herewith, to the Seller, the Purchaser's check made payable to the order of **"Belkin Burden Wenig & Goldman, LLP, as Escrow Agent for 452 West Company/[Name of Purchaser]"** in the amount of the above-stated Down Payment, subject to collection. The Balance shall be paid by the Purchaser to (or as designated by) the Seller at the Closing.

(b) Except for the Down Payment, which is to be paid as provided above, any payments to be made by the Purchaser under this Agreement (including, without limitation, the payment of the balance of the Purchase Price), whether to, on behalf of, or at the request of, the Seller shall be made by unendorsed certified check or bank check drawn in either case on a member bank of the New York Clearing House Association payable to the order of the Seller, except that at the request of the Seller made at or prior to the closing, the Purchaser shall pay the Balance to such payees as the Seller may direct.

(c) If any check for any payment to be made by the Purchaser under this Agreement (including, without limitation, the Down Payment) shall be dishonored for any reason whatsoever, it shall be deemed a material default by the Purchaser hereunder and the Seller may, in that event, cancel this Agreement and, notwithstanding such cancellation, be entitled to recover the amount of such check in addition to, without limiting the foregoing provisions, the costs and expenses (including, but not limited to, reasonable attorneys' fees and expenses) of collection of any such check or other instrument so dishonored.

5. Agreement contingent upon financing.

(a) A Recognized Lender shall mean: (i) any bank, trust company, savings and loan association or savings bank; (ii) any insurance company; (iii) any real estate investment trust; (iv) any pension, retirement or welfare fund having

assets in excess of $10,000,000; in each case doing business in the State of New York; (v) any governmental authority including an agency of the City or State of New York; or (vi) any comparable institutional lender acceptable to the Seller.

(b) This Agreement shall be contingent upon the issuance to the Purchaser, within thirty (30) days from the later of (i) the Effective Date, or (ii) the date hereof (the **"Financing Contingency Period"**) of a mortgage loan commitment by a Recognized Lender for a loan in an amount equal to seventy five (75%) percent of the Purchase Price (or such lesser sum as the Purchaser may approve), secured by a first mortgage on the Unit, bearing interest at the then prevailing rate structure charged by such Recognized Lender (a **"Commitment"**).

(c) The Purchaser shall promptly apply for the loan and, within five (5) business days after the Seller sends to the Purchaser a fully executed counterpart of this Purchase Agreement, the Purchaser will complete, sign and submit to a Recognized Lender a mortgage loan application (on the form provided by such Recognized Lender) consistent with the loan terms set forth in subparagraph (b) above and containing accurate and complete financial and other information on the Purchaser and members of the Purchaser's family as required by the Recognized Lender. Thereafter, the Purchaser shall cooperate fully with such Recognized Lender and promptly furnish it with such additional information as may be required. The Purchaser shall promptly notify the Seller when the application is submitted to such Recognized Lender.

(d) The Purchaser shall promptly: (i) accept any Commitment complying with the terms of subparagraph (b) above, if issued; (ii) pay any application, appraisal, commitment or other fees in respect of the loan; and (iii) comply with the requirements of the Commitment. The Purchaser shall either deliver a copy of the Commitment to the Seller within five (5) days after its issuance or notify the Seller in writing of the Purchaser's failure to obtain same within five (5) days after expiration of the thirty (30) day period within which same was to be obtained, as the case may be. In the event the Purchaser fails to obtain the Commitment within the specified time period, the Purchaser must deliver to the Seller copies of the Purchaser's loan application and the Recognized Lender's **"Mortgage Disclosure Statement"** along with the notice of the Purchaser's failure to obtain the Commitment.

(e) The Purchaser shall cause the Purchaser's spouse (if any) to execute jointly with the Purchaser the mortgage note or bond and such other loan documents as may be required by the Recognized Lender, unless such action is waived by the Seller. If the Purchaser is other than a natural person (such as a corporation or partnership), the Purchaser agrees to furnish at closing such guarantees from the Purchaser's officers, stockholders, partners or principals (as the case may be) as the Recognized Lender may request.

(f) If the Recognized Lender refuses or fails to issue, within the Financing Contingency Period, a Commitment in favor of the Purchaser for a loan on the terms set forth in subparagraph (b) above, then, subject to the provisions of subparagraphs (g) and (h) below, the Purchaser, if and only if the Purchaser has acted in good faith and complied with all of the Purchaser's obligations under subparagraphs (c), (d), and (e) of this paragraph 5, may cancel this Agreement by notice to the Seller given within five (5) days after the expiration of the Financing Contingency Period.

(g) Notwithstanding the foregoing, within seven (7) business days after receiving from the Purchaser a notice of cancellation of this Agreement given pursuant to subparagraph (f) above, where the basis of such cancellation is the failure (as opposed to the refusal) of the Recognized Lender to issue a Commitment within the Financing Contingency Period, the Seller may, but shall not be obligated to, elect by notice given to the Purchaser to extend the Financing Contingency Period for an additional period of thirty (30) days from the date such notice is given to the Purchaser.

(h) Notwithstanding the foregoing, within seven (7) business days after receiving from the Purchaser a notice of cancellation of this Agreement given pursuant to subparagraph (f) above, where the basis of such cancellation is the refusal (as opposed to the failure) of the Recognized Lender to issue a Commitment within the Financing Contingency Period, the Seller may, but shall not be obligated, to elect to endeavor to obtain a Commitment for a loan from another Recognized Lender on Purchaser's behalf or originate such loan itself, in either case on substantially the same terms and conditions as the loan originally applied for by the Purchaser. Upon the giving by the Seller of such a notice, the Financing Contingency Period shall be deemed extended for an additional period of thirty (30) days

from the date such notice is given to the Purchaser, and the Purchaser shall thereafter, in connection with any loan being made by another Recognized Lender or being originated by the Seller and in connection with obtaining a Commitment for any such loan, be required to comply with the foregoing provisions of this paragraph 5, including but not limited to requirements with respect to applying for such loan as set forth in subparagraph (c) above and accepting a Commitment for such loan as set forth in subparagraph (d) above.

(i) If the Purchaser obtains a Commitment and it expires prior to the Closing Date, the Purchaser shall have a limited right to cancel the Purchase Agreement provided: (i) the Purchaser has made a good faith effort to extend the Commitment; (ii) the Seller is in actual receipt of the Purchaser's written notice of cancellation within five (5) days after the expiration of the Commitment; (iii) within thirty (30) days from the date such notice is received by the Seller, the Seller does not elect to obtain and does not obtain a Commitment from another Recognized Lender on the Purchaser's behalf or does not elect to originate financing for a loan on substantially the same terms and conditions; and (iv) the Purchaser is not then in default under this Agreement beyond any applicable grace period.

(j) If this Agreement is canceled pursuant to subparagraphs (f) or (i) above and provided the Purchaser has acted in good faith and complied with the Purchaser's obligations as set forth in this paragraph 5, the Seller shall instruct Reed Smith LLP (the **"Escrow Agent")**, attorneys for the Seller, to refund to the Purchaser within thirty (30) days after such cancellation all monies deposited hereunder together with any interest thereon. Upon such refund being made, the Seller and the Purchaser shall be released and discharged of all further liabilities and obligations hereunder and under the Plan. The Purchaser's failure to comply with all of the Purchaser's obligations under this paragraph 5 shall constitute a waiver by the Purchaser of the provisions of the preceding subparagraph (b) (conditioning this Agreement upon obtaining the financing described in such subparagraph) and of the Purchaser's right to cancel hereunder.

(k) The Purchaser hereby irrevocably authorizes and instructs the Recognized Lender to pay directly to, or as directed by, the Seller at closing of title the proceeds of the mortgage loan towards the Balance of the Purchase Price. In

confirmation of such authorized payment, the Purchaser shall sign such further written authorization at closing as the Recognized Lender may request.

(l) Neither the Seller nor the Condominium shall be obligated to execute any loan documents that do not conform to the Declaration and By-Laws of the Condominium.

6. Closing date and place.

The closing of title shall occur at the office of the Escrow Agent, on the date and at the time as the Seller shall designate to the Purchaser on not less than thirty (30) days prior written notice. The Seller shall have the right, from time to time, to adjourn such date and time for closing on written notice to the Purchaser. If the closing of title is adjourned, the Seller shall fix a new date and time for closing and shall give the Purchaser not less than five (5) business days' prior written notice of the new scheduled date and time for closing. The date scheduled for the closing of title by the Seller as same may be adjourned in accordance with the terms hereof shall be referred to as the **"Closing Date."**

The closing of title shall occur only after or concurrently with compliance with the prerequisites to closing of title in the section of the Plan entitled **"Closing of Title to Units and Terms of Sale"** in Part I of the Plan.

7. The deed and power of attorney.

(a) On the Closing Date, upon receipt by the Seller of all payments and documents required hereunder, the Seller shall deliver to the Purchaser (except as set forth in subparagraph (c) below) a bargain and sale deed with covenants against grantor's acts in substantially the form set forth in Part II of the Plan conveying the Unit to the Purchaser as provided in the Plan, subject to the exceptions referred to in the Declaration, the By-Laws, the Plan and the Exhibits. The deed shall be executed and acknowledged by the Seller and shall be in form for recording.

(b) Except as provided in subparagraph (c) below, on the Closing Date and simultaneously with the delivery of the deed conveying the Unit to the Purchaser, the Purchaser shall execute and acknowledge a Unit Owner's power of attorney to the

Condominium Board prepared by the Seller and substantially in the form set forth in Part II of the Plan. The Purchaser shall pay all recording or other fees in connection with the recording of the power of attorney.

(c) The deed may be delivered by the Seller to the representative of the title company insuring the Purchaser's title (or if no such representative is present, then to the Seller's attorneys or the Purchaser's attorneys). If the deed is delivered to the Seller's attorneys, then it shall be held until picked up by the Purchaser, the Purchaser's attorneys or a representative of the title company insuring the Purchaser's title. The deed shall be marked for return to the Purchaser or the Purchaser's attorneys after recording. The power of attorney may be delivered to the Purchaser's title company, if any, for recording and shall be marked for return to the Condominium Board or its attorneys after recording.

8. State of title.

(a) On the Closing Date, the Seller shall convey to the Purchaser title in fee simple to the Unit, free and clear of all encumbrances other than the Permitted Encumbrances set forth in the Plan. Any other liens, encumbrances or conditions shall not be an objection to title if: (i) the instrument required to remove it from the record is delivered to the representative of the Purchaser's title insurance company (or, if none, to the Purchaser's attorneys) for recording in the proper office, together with the requisite recording or filing fees; or (ii) the Purchaser's title insurance company will insure the Purchaser against its collection or enforcement out of the Unit.

(b) The Seller shall give, and the Purchaser shall accept, such title as the Purchaser's title insurance company shall approve and insure, provided that the only liens, encumbrances and conditions affecting title shall be the Permitted Encumbrances set forth in Part I of the Plan. The Seller shall have no obligation to cause the Purchaser's title company, if any, to omit any exceptions to title. In the event Purchaser's title company fails or refuses to issue title insurance in accordance with the terms of this Agreement, then the Purchaser shall accept such title as any other reputable title insurance company selected by the Seller and reasonably acceptable to the Purchaser shall approve and insure, subject to the provisions herein.

9. Closing adjustments.

(a) The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit, except as otherwise provided in the Plan:

(i) If the Unit has been separately assessed as of the Closing Date, then real estate taxes and assessments against the Unit (if any) shall be adjusted on the basis of the period for which assessed;

(ii) If the Unit has not been separately assessed as of the Closing Date, then the product of real estate taxes and assessments against the Property (if any) shall be apportioned on the basis of the period for which assessed multiplied by the Common Interest appurtenant to the Unit divided by the aggregate of the Common Interests of all Units at the Property as set forth more fully in the **"Footnotes to Schedule A"** in Part I of the Plan;

(iii) Common Charges for the month in which title closes;

(iv) Accrued rent and any other charges pursuant to the Existing Lease or Interim Lease, if any, covering the Unit; and

(v) Water charges and sewer rents, if separately assessed, on the basis of the period for which assessed.

(b) In the event that the closing of title occurs before the real estate tax rate is fixed, adjustment of taxes shall be based upon the latest real estate tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the delivery of the deed, if any, shall be paid by the Purchaser and shall not be considered a defect in title.

(c) In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of the Seller. Accordingly, at the

closing of title, the Purchaser shall be required to pay the full amount of the mortgage recording tax chargeable on the entire amount of mortgage financing the Purchaser has elected to obtain in connection with the purchase of the Unit and the Seller shall be reimbursed to the extent of any mortgage tax credit allowed.

(d) If the Purchaser fails to close on the Closing Date originally specified by the Seller for any reason, then the Purchaser will: (i) pay (in addition to all other closing costs) a late fee equal to 0.05% times the unpaid balance of the Purchase Price for each day's delay, beginning with the date originally scheduled for the Closing to and including the day immediately preceding the actual Closing Date, (ii) reimburse Sponsor for the Unit's carrying charges (that is, Common Charges and real estate taxes) during the period of delay and (iii) pay the service fees of Sponsor's attorneys of $150 for each default letter sent to such Purchaser and $150 for each notice sent to the Purchaser to reschedule the closing. The provisions of this paragraph shall not be applicable if, through no fault of the Purchaser, the Seller postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default.

(e) Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. This provision shall survive the closing.

(f) 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.

10. Closing costs. The Purchaser, in addition to the legal fees of the Purchaser's attorneys as set forth in Part I of the Plan, and the amount of any net adjustments in favor of the Seller and the other payments required under this Agreement, shall pay at the closing, any closing costs specified in the Plan including, without limitation, any processing fees, and closing fees to the Seller's attorneys, and other fees and payments, provided in the Plan.

11. Real Property Transfer Tax. The Purchaser shall pay all New York City and New York State real property transfer taxes, deed stamp taxes, recording and other fees in connection with this transaction and the recording of the deed. The Seller and the Purchaser shall duly execute and swear to any transfer tax return and any other form then required by Applicable Law, all of which shall be prepared by the Seller.

12. Down Payment to be held in trust. The Seller will hold all monies received by it directly or through its agents, employees or the Escrow Agent, from the Purchaser under this Agreement in trust until actually employed in connection with the closing of the transaction as described in the Plan. The Seller will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the New York State Attorney General's regulations promulgated pursuant thereto. The provisions of the Attorney General's regulations concerning escrow and trust funds, in effect on the date hereof, shall prevail over any conflicting or inconsistent provision in the Plan or in this Agreement. The Purchaser shall not be obligated to pay any legal or other expense of the Seller in connection with the handling or disposition of the Down Payment paid by the Purchaser. However, nothing in the preceding sentence shall limit the obligation of the Purchaser to pay the fees and expenses of the Seller's attorneys (to the extent such fees and expenses are expressly disclosed in the Plan) in connection with the purchase or closing of title to the Unit to be purchased by the Purchaser hereunder or upon Purchaser's default.

The Down Payment shall be deemed to have been unconditionally tendered when it is delivered to the Seller or the Selling Agent, together with this Agreement signed by the Purchaser, without any request for a change in such form or the terms of this Agreement. The Down Payment shall be placed, within five (5) business days after the date on which the Down Payment has been unconditionally tendered, in a special escrow account of the Escrow Agent, whose address is 270 Madison Avenue, New York, New York 10016 and whose telephone number is: (212) 867-4466. The signatories on this escrow account, who are each members of Belkin Burden Wenig & Goldman, LLP, and any one of whom is authorized to withdraw funds, are: Daniel Altman, Edward Baer, Sherwin Belkin, Joseph Burden, Jeffrey Goldman, Martin Heistein, Craig Ingber, Robert Jacobs, Lewis Lindenberg, Aaron Shmulewitz, David Skaller and Howard Wenig. The name of

the escrow account is **"Belkin Burden Wenig & Goldman, LLP, as Escrow Agent for 452 West Company/Name of Purchaser]"** (the **"Escrow Account"**). The Escrow Account is located at Hudson Valley Bank at 60 East 42nd Street, New York, New York 10165 (the **"Bank"**). The Bank is covered by Federal Bank Deposit Insurance generally to a maximum of $100,000 in the aggregate with respect to all funds deposited by any Person in one or more deposit accounts (including, without limitation, amounts deposited directly by such Person and deposits held in escrow for such Person by the Escrow Agent).

No representation or guaranty is made by the Escrow Agent or the Seller that the Federal Deposit Insurance Corporation will insure any depositor's funds, if and when called upon to do so.

The Escrow Account shall be interest-bearing and, any interest earned on the Down Payment shall be delivered to the Purchaser at the closing of title to its Unit or other termination of this Agreement except if the Purchaser has defaulted hereunder beyond any applicable grace periods, in which event the Seller shall be entitled to retain such interest together with the Down Payment. The interest rate to be earned on the Down Payment will be the rate paid from time to time by the Bank. Interest will begin to accrue when the check for a Down Payment is collected, and provided there is no charge back or debit by the Bank against the amount deposited. The Seller and the Escrow Agent shall only be liable for interest earned on the Down Payment to the extent same is received by them from the Bank. No representation is made as to the rate or amount of interest that will be earned on the Down Payment. The Purchaser must indicate his or her social security or its taxpayer identification number on this Agreement. If there is more than one Purchaser, the social security or taxpayer identification number of each Purchaser who will be receiving any interest earned on the Down Payment must be noted herein. The Purchaser's failure to provide this information will be deemed a waiver of his, her or its right to receive interest on the Down Payment.

The Escrow Agent may from time to time, upon notice to the Seller and the Purchaser, change the depository in which the Down Payment is held to another lending institution located in New York City.

13. Duties of Escrow Agent.

(a) Within ten business days after unconditional tender and delivery by the Purchaser to the Seller or the Selling Agent of a check for the Down Payment submitted with this Agreement on account of the Purchase Price hereunder, the Escrow Agent will notify the Purchaser that such funds have been deposited into the Escrow Account and will provide the account number and the initial interest rate. Subject to the provisions of the next sentence, if the Purchaser does not receive notice of such deposit within fifteen (15) business days after unconditional tender and delivery to the Seller or the Selling Agent of such Down Payment, then the Purchaser may cancel such purchase and rescind this Agreement so long as such right to rescind is exercised within ninety (90) days after the Purchaser's unconditional tender and delivery of the Down Payment to the Seller or the Selling Agent. However, the Purchaser shall not be entitled either to rescind this Agreement or to receive a refund of the Down Payment where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely deposited and notice as provided above was timely mailed to the Purchaser in conformity with the Attorney General's regulations. The Purchaser acknowledges that receipt of the Down Payment by the Escrow Agent and deposit in the Escrow Account shall not be deemed acceptance of this Agreement by the Seller, which acceptance can only occur in the manner provided in paragraph 32.

(b) The Escrow Agent shall hold the Down Payment in escrow until:

(i) otherwise directed in one or more writings signed by the Seller and the Purchaser; or

(ii) otherwise directed in 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 permits or requires the release of such Down Payment; or

(iv) the Down Payment is paid by the Escrow Agent into a court of competent jurisdiction; or

(v) the Down Payment is paid to the Seller as provided below in this Paragraph; or

(vi) the Down Payment is paid to the Purchaser as provided below in this Paragraph.

(c) If there is no written agreement between the Seller and the Purchaser to release the Down Payment, the Escrow Agent will not pay the Down Payment to the Seller until after ten (10) business days following the date that the Escrow Agent has given the Purchaser written notice that the Escrow Agent intends to pay the Down Payment to the Seller. Thereafter, the Down Payment may be paid to the Seller unless the Purchaser has already made application to the Attorney General pursuant to the dispute resolution provisions of the Attorney General regulations and the Escrow Agent has received, within such ten (10) business day period, notice from the Purchaser that such application has been made.

(d) The Seller shall not object to the release of the Down Payment to the Purchaser, provided the Purchaser has not defaulted and has timely and validly rescinded this Agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan.

(e) The Down Payment shall be delivered to the Seller at the closing unless disbursed as liquidated damages or returned to the Purchaser as herein provided. In the event the Plan is abandoned or withdrawn, the Down Payment shall be returned to the Purchaser together with interest, if any, earned thereon, except as otherwise provided in the next sentence. If at the time the Plan is abandoned or withdrawn, the Purchaser is in default hereunder and has failed to cure such default within the applicable grace period (or if this Agreement had previously been canceled due to the Purchaser's uncured default), then the Seller shall retain, as and for liquidated damages, the Down Payment, together with any interest earned thereon (hereinafter called the **"Liquidated Sum"**), and any sums in excess thereof (together with any interest earned thereon) shall be returned to the Purchaser within fifteen (15) days after the date of such abandonment or withdrawal.

(f) The Purchaser or the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the Down Payment. The

Seller must avail itself of this procedure if there is a dispute which needs to be resolved between the Seller and the Purchaser relating to the Down Payment and, in the case of the Purchaser, the Purchaser has given notice of objection to the Escrow Agent within the ten (10)-business-day period described above. A form for this purpose is attached as Exhibit A to this Agreement. The party applying for a determination must send all other parties a copy of the application.

(g) Included in Part II of the Plan is a copy of the escrow agreement between the Escrow Agent and the Seller which is subject to the terms of the Attorney General's regulations (the **"Escrow Agreement"**). In the event of any conflict between the Escrow Agreement and either any other provision of the Plan or this Agreement, the Escrow Agreement shall control.

(h) The Escrow Agent will maintain all records concerning the Escrow Account for seven (7) years after the closing of the Escrow Account.

(i) Notices given by the Escrow Agent, the Seller, or its agents pursuant hereto shall be deemed given (i) upon delivery if personally delivered; or (ii) upon the fifth (5th) day after the date of mailing, if mailed; or (iii) on the next business day if delivered by overnight courier.

14. Agreement subject to mortgage. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, the Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage against the Unit or the Property, or any part thereof or any interest therein, heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already 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 the Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with any schedule of payments or accelerated by virtue of the right of the holder of any such mortgage to make advances before they become due in accordance with the schedule of payments. The Seller shall, at its option, either satisfy

such mortgages or obtain a release of the Unit 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 shall not constitute an objection to title or excuse the Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, the Seller, provided that the Unit is released from, or not subject to, the lien of any such mortgage.

15. Events of default.

(a) Each of the following shall constitute an **"Event of Default"** hereunder:

(i) The Purchaser's failure to pay any installment of the Purchase Price or any other payment when due as herein provided (including, without limitation, if any check made or delivered by the Purchaser hereunder is dishonored);

(ii) The Purchaser's failure to execute and deliver to the Seller in recordable form the power of attorney, New York City and New York State real property transfer tax returns or any other documents when and as required herein to be executed and delivered by the Purchaser;

(iii) The Purchaser's failure to pay any closing costs or other payments due and payable pursuant to this Agreement; or

(iv) The Purchaser's failure to pay, perform or observe any of his, her or its other obligations hereunder.

(b) Upon the occurrence of an Event of Default, the Seller's sole right shall be to cancel this Agreement by sending the Purchaser thirty (30) days' prior written notice of its intention to do so. If the Seller elects to cancel, the Purchaser shall have thirty (30) days from the giving of the cancellation notice within which the Purchaser must cure the specified default. TIME SHALL BE OF THE ESSENCE to remedy the specified default within the thirty (30) day period. If the specified default is not timely cured, then (i) the Seller shall

have the right to retain, as liquidated damages, the Liquidated Sum; (ii) the Seller shall have the right to sell the Unit to others as though this Agreement had never been made; and (iii) the Purchaser shall not have any further rights against or obligations to the Seller, the Condominium, the Condominium Board or any subsequent purchaser of the Unit. Whether or not the Seller has canceled this Agreement as provided above, if the Seller has not collected the proceeds of any check for any payments due under this Agreement, then the Seller may take such actions at law and in equity as may be required in order to collect such payments and any and all costs of collection, including without limitation all attorneys' fees and expenses incurred by the Seller in connection therewith.

(c) Notwithstanding the occurrence of an Event of Default, the Seller may, in its sole discretion, keep this Agreement in effect and proceed to close title without prejudicing the Seller's right to recover from the Purchaser damages, losses, costs, expenses and all other lawful sums to which the Seller is entitled (including, but not limited to, legal fees and the costs of collection).

(d) If the Purchaser is or becomes a tenant at the Property and the Purchaser shall fail to pay rent or otherwise comply with the Purchaser's lease or tenancy obligations (which failure results in the Purchaser's eviction from the Unit, by court order or voluntary removal), or the Purchaser vacates or abandons the Unit, then such failure, vacating or abandonment (as the case may be) shall constitute a default under this Agreement, entitling the Seller, at its sole option, to cancel this Agreement. If this Agreement is not canceled and any default under the Existing Lease or the Interim Lease, as applicable, exists as of the Closing Date, then the Seller shall not be obligated to close title with the Purchaser unless and until such default is cured, and the Seller shall have a lien on the Unit as security therefor.

16. Obligation of tenant to pay rent.

(a) A Purchaser who is or becomes a tenant or occupant of the Property must continue to pay rent under its Existing or Interim Lease, and the Purchaser specifically waives any right of offset with respect to such rent. In no event shall the Purchaser be released or excused from paying and performing the Purchaser's lease or tenancy obligations, and

nothing contained in this Agreement shall limit or be deemed to limit any rights or remedies at law or in equity or under the Purchaser's Existing Lease or Interim Lease, as the case may be, which the Seller, or any other party may have by reason of a default under the Purchaser's Existing Lease or Interim Lease, as the case may be, including, without limitation, the Seller's right to collect from the Purchaser all damages, losses, costs, expenses, and all other lawful sums to which the Seller is entitled (including, but not limited to, legal fees and costs of collection) due to the Purchaser's failure to pay rent or otherwise comply with the Purchaser's lease or tenancy obligations. The right is reserved to the Seller to apply any rent security against rent arrearages or other default and in addition to sue any tenant to the extent such rent security is insufficient.

(b) In no event shall either the Purchaser's failure to pay rent as due or the pendency of eviction proceedings or vacating or abandonment of the Unit give the Purchaser any rights to any extension under this Agreement.

17. Termination of Existing Leases of Tenant Purchasers.

If the Purchaser is currently the tenant (a "**Tenant Purchaser**") under an Existing Lease of the Unit being purchased, the Purchaser agrees that the Existing Lease shall be terminated and canceled upon closing of the title to the Unit on the Closing Date. The Seller shall have no obligation to close title with a Tenant Purchaser unless all rent and other charges due under such Tenant Purchaser's Existing Lease have been paid through the Closing Date.

18. Agreement subject to Plan being declared effective.

The performance by the Seller of its obligations under this Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned at any time prior to its becoming effective as provided in the Plan and thereafter upon certain terms and conditions as provided in the Plan. If the Plan is abandoned or does not become effective or if after being declared effective the Plan shall not be consummated for any reason, then this Agreement shall be deemed canceled and the Plan terminated on the date specified in a notice thereof by the Seller to the Purchaser. Within fifteen (15) days thereafter the Purchaser shall receive a refund in full of all moneys paid

by it hereunder with interest earned thereon, if any (except as provided in paragraph 15 hereof), and, upon such refund neither party shall have any further rights, obligations, or liability to or against the other or the Condominium under this Agreement and the Plan.

19. Seller's inability to convey title.

If the Seller is unable to deliver title to the Unit to the Purchaser subject to the Permitted Exceptions set forth in the Plan in accordance with the provisions of this Agreement and the Plan, the Seller 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 the Seller elects to attempt to cure such inability then it shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which to complete such cure. However, the Seller may notify the Purchaser at any time of its refusal either to cure or to continue to cure, as the case may be, such inability and if the Purchaser is then not in default hereunder beyond any applicable grace period, then the Purchaser's sole right and remedy shall be either: (a) to take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against the Seller for damages or otherwise); or (b) to terminate this Agreement. If the Purchaser so elects to terminate this Agreement, the Seller shall, within fifteen (15) days after receipt of notice of termination from the Purchaser, return to the Purchaser all sums deposited by the Purchaser hereunder, together with interest earned thereon, if any, and upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other under this Agreement and the Plan. The foregoing option must be exercised by notice of the Purchaser in writing to the Seller within ten (10) days after the giving of the Seller's notice of refusal to cure such inability. If the Purchaser fails to give such notice to the Seller within said ten (10) day period, with **TIME BEING OF THE ESSENCE**, it shall be conclusively deemed that the Purchaser has elected to acquire title to the Unit subject to such inability as aforesaid.

20. Sale subject to existing tenancy; rights and duties of non-occupant Purchasers.

The following provisions are applicable only if, at the time of signing this Purchase Agreement, the Unit is occupied by, or under lease to, one other than the Purchaser.

(a) The Purchaser understands that the Purchaser is purchasing the Unit subject to the rights of the Existing Tenant thereof, as explained more fully in the Plan under the Section entitled **"Rights of Existing Tenants."**

(b) The Purchaser acknowledges that no representation or statement has been made (and if made, the Purchaser knows it is unauthorized and has not relied thereon) as to the length of time that may elapse before the Purchaser gains possession of the Unit or that the Purchaser, in fact, will obtain possession of the Unit.

(c) Upon acquiring title to a Unit occupied by another, the Purchaser shall become the landlord of the tenant or occupant thereof and the latter shall become such Purchaser's tenant. The Purchaser alone shall bear the entire costs and expenses of owning the Unit (including but not limited to, any legal fees and litigation expenses for enforcing the Existing Lease and obtaining possession of the Unit). The relationship between the two parties will be governed primarily by the terms, covenants and conditions contained in the Existing Lease or the statutory and/or implied covenants of any month-to-month tenancy. Further, the Purchaser will be subject to any rights and duties required pursuant to Section 352-eeee of the GBL and the Applicable Rent Laws. The Purchaser will succeed to and assume all of the Seller's rights and obligations as the landlord of such tenant or occupant, including, but not limited to, the Seller's right to receive the rents reserved in the Existing Lease and the Seller's obligation to perform all of the duties of the landlord under such Existing Lease or month-to-month tenancy. Such duties may include, but are not limited to, the obligation to maintain, repair and replace any plumbing fixtures, refrigerator, dishwasher, lighting fixtures and other fixtures, equipment and appliances in his, her or its Unit and to paint the Unit periodically. The Purchaser will be obligated to perform these duties as the landlord of such tenant or occupant even though the rents reserved under the Existing Lease or month-to-month tenancy may be insufficient to pay the cost of

such performance. In addition, the Purchaser will be required to pay all Common Charges assessed against him, her or it by the Condominium Board, regardless of whether such Common Charges are more or less than the rent payable by the tenant or occupant and regardless of whether such rent is received. Various of these rights and duties are summarized in the Plan in the section entitled **"Obligations of Owners of Units Occupied by Non-Purchasing Tenants."** At closing, the Seller and the Purchaser will sign and deliver to each other an agreement (in form and substance satisfactory to the Seller) in which the Seller assigns to the Purchaser all of its rights as landlord under the then Existing Lease or month-to-month tenancy and the Purchaser assumes full responsibility for, and indemnifies and holds the Seller harmless from and against, all obligations under such Existing Lease or month-to-month tenancy to be performed from and after the closing.

(d) The Purchaser shall be required upon obtaining title to the Unit to irrevocably appoint the Condominium's Managing Agent and its successors (or the Condominium Board if no Managing Agent is employed by the Condominium) as his, her or its agent to provide to the Existing Tenants of the Unit all services and facilities required Applicable Law.

(e) The Purchaser agrees to deposit with the Managing Agent (or Condominium Board if no managing agent is employed) at the closing an amount not less than two months' common charges and real estate taxes to be used as working capital to furnish services required under the Existing Lease for the Unit and pursuant to Applicable Law. Upon notice from the Managing Agent (or Condominium Board) that the deposit has been diminished, the fund shall be replenished by the Unit Owner within thirty (30) days of such notice. The failure of the Unit Owner to replenish the fund in a timely fashion will result in the Condominium having a lien against the Unit. Interest, if any, earned on the fund shall be the property of the Unit Owner.

(f) If, after the Purchaser signs this Agreement, the Existing Tenant timely exercises such Existing Tenant's exclusive right to purchase the Unit during the period granted under the Plan or at such later date as may be permitted under Applicable Law (or an administrative or judicial interpretation thereof), then this Agreement will be deemed canceled and, within thirty (30) days thereafter, all monies deposited with the Seller shall be returned to the Purchaser, with interest, if

any, earned thereon. Upon such refund being made, the Purchaser, the Seller, the Selling Agent, and all other Persons involved in the Plan will be (and hereby are) released and discharged of all liabilities and obligations hereunder and under the Plan.

21. Fixtures, appliances and personal property.

(a) At closing, the Unit will contain only those appliances, countertops, cabinets, sinks, vanities (if any), air-conditioning units (if any), hardware and other fixtures and equipment currently installed therein which are owned by the Seller. The Unit is being sold otherwise unfurnished. Any appliances, air conditioning units, furnishings, equipment, fixtures, and other personal property owned by any Existing Tenant of a Unit are not included in this sale. However, if a Unit is presently occupied by other than the Purchaser and the Existing Tenant removes a stove or refrigerator belonging to him or her, then the Seller agrees to supply a replacement, which need not be new, but will be in working order and similar in size and quality to the stoves and refrigerators owned by the Seller that are contained in comparable Units in the Building on the Presentation Date of the Plan.

(b) Furniture, wall coverings, furnishings, decorations and the like in or about any model apartment are for display purposes only and are not included in the sale. Any floor plans or sketches shown to the Purchaser are only approximations of the Unit's dimensions and arrangement, and the Purchaser should not rely thereon.

(c) There shall be no modifications or extras unless agreed to in writing by both the Purchaser and the Seller. All modifications, alterations and additions to the Unit must be approved by the Seller in writing and, if approved, shall be performed by the Seller at the Purchaser's expense (payable in the manner to be set forth in an addendum to this Agreement or in a separate agreement).

22. Acceptance of condition of Property and Unit.

The signing of this Purchase Agreement by the Purchaser signifies the Purchaser's acceptance of the conditions of the Property, including the Building, the Unit, and all fixtures, machinery, equipment, furnishings, appliances,

installations and any other personal property contained therein (hereinafter collectively called **"Installations"**), in their respective existing conditions, subject to reasonable use, wear and tear and natural deterioration between the date Purchaser signs this Agreement and delivery of the deed to the Purchaser. The Purchaser acknowledges having read, or having had ample opportunity to read, the Description of Property and Building Condition set forth in Part II of the Plan, which sets forth a description and then existing physical condition of the Building. The Purchaser understands that the Seller has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Installations except as set forth in the Plan. However, the Seller has agreed in the Plan to maintain the Building in substantially the same condition it is in on the Presentation Date, unless prevented from so doing by reason of acts or events beyond the Seller's control, as more particularly set forth in the Plan.

Purchaser shall be given a reasonable opportunity to examine the Unit prior to closing and is advised to make a careful examination at such time.

23. Lead-based paint and/or lead-based paint hazards

The Purchaser understands that under applicable Federal regulations, before Purchaser becomes obligated under this Purchase Agreement, the Purchaser must be permitted a 10-day period to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead based paint hazards (the, **"Lead-Based Paint Inspection"**), unless the Purchaser elects in writing to waive same. At or prior to signing and submitting this Purchase Agreement to the Seller, the Purchaser shall indicate (where appropriate) and sign a certain form entitled **"Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards"** (the **"Lead-Based Paint Disclosure Form"**), indicating, among other things, whether the Purchaser has waived the right to conduct the Lead-Based Paint Inspection or has been given the opportunity to conduct same. A copy of the Lead-Based Paint Disclosure Form is included in Part II of the Plan. The Purchaser hereby repeats and affirms all of the Purchaser's acknowledgments on the Purchaser's signed Lead-Paint Disclosure Form, which by this reference are hereby made a part of this Purchase Agreement. Notwithstanding anything to the contrary contained herein, the Seller shall have no obligation

to accept any Purchase Agreement submitted by the Purchaser unless accompanied by the Lead-Based Paint Disclosure Form completed and executed by the Purchaser.

24. Security deposit.

(a) If the Purchaser is or hereafter becomes a tenant of the Unit, the Purchaser's unapplied rent security deposit, if any, shall be refunded to the Purchaser, together with any interest earned thereon, within thirty (30) days following the closing, provided that the Purchaser is not in default under the Purchaser's Existing Lease, Interim Lease or this Agreement.

(b) If the Unit is occupied by other than the Purchaser, then the unapplied security deposit (if any) of the tenant or occupant of the Unit (or the Purchaser's pro rata share thereof) shall be transferred at closing to the Purchaser, who shall, upon receipt, sign and deliver to the Seller an agreement acknowledging the amount received, indemnifying and holding the Seller harmless from and against all liability in connection therewith and agreeing to hold such security deposit as required under the Existing or Interim Lease and Applicable Law. If the Existing Tenant is in arrears with respect to the payment of rent or other charges, if any, the Purchaser understands that it will be obligated to pay to the Seller any such arrearages out of the first amounts collected by the Purchaser from such tenant. In either event, the Seller will have the right to deduct from any Existing Tenant's security deposit the amount of any rent arrearage owing to the Seller and to sue the Existing Tenant to the extent such rent security is insufficient.

25. Damage to the Unit.

(a) Unless the Purchaser now occupies the Unit, the Purchaser shall not be entitled to occupy the Unit until the deed is delivered to the Purchaser at closing, unless the Seller, in its discretion, grants possession of the Unit to Purchaser under an Interim Lease as provided in the Plan. If the Purchaser is an Existing Tenant of the Unit or if the Purchaser is given possession of the Unit prior to closing under an Interim Lease or otherwise, then the Purchaser shall assume the risk of loss and the obligation to repair and shall be solely responsible for any damage to, or loss or other condition in, the Unit resulting from casualty, the Purchaser's use and

occupancy or from the acts or negligence of the Purchaser's guests, contractors, subcontractors, licensees, agents, employees or other invitees or otherwise and the Seller shall not be obligated to make any repairs to the Unit or its Installations. If the Purchaser is obligated to repair the damage, then the 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. Notwithstanding the foregoing, until closing, the Seller shall remain responsible to make those repairs required of it as landlord under any Existing or Interim Lease and, after closing, the Condominium Board shall be responsible to make those repairs required of it under the Condominium Documents.

(b) Except as provided in subparagraph (a), all other risk of loss prior to closing shall be assumed by the Seller, but without any obligation or liability of the Seller to repair the damage or restore the Unit. If the Seller or (in the event the Declaration is filed) the Unit Owners elect, pursuant to the Condominium Documents, to repair or replace the loss or damage, in the event of a fire or other casualty, this Agreement shall continue in full force and effect, the Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement of, the Purchase Price, and Seller shall be entitled to a reasonable period of time to complete (or to permit the Condominium Board to complete) such repairs or replacements. The Purchaser shall not be required to pay the Balance of the Purchase Price unless and until: (i) the Unit has been substantially repaired to as near as reasonably possible 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 the Seller (subject to the rights, if any, of the Condominium Board or of other Unit Owners in the event the Declaration is filed) and if such proceeds are paid to the Purchaser, the Purchaser shall promptly upon receipt turn them over to the Seller.

(c) In the event the Seller notifies the Purchaser that it does not elect to repair or restore the Unit or (in the event the Declaration is filed) if the Unit Owners do not resolve to make such repairs or restore the Unit pursuant to the Condominium Documents, this Agreement will be deemed canceled

and of no further force or effect and the Seller will instruct the Escrow Agent to return to the Purchaser all sums deposited hereunder (with interest, if any, earned thereon) whereupon the parties will be released and discharged from all obligations and liability hereunder and under the Plan, except that if the Purchaser is then in default hereunder (beyond any applicable grace period), the Seller will retain the Liquidated Sum pursuant to paragraph 15 above.

(d) If the Purchaser is a tenant under an Existing Lease at the Property, the provisions of this Agreement shall supersede and replace any conflicting provisions in such Purchaser's Existing Lease.

(e) The Purchaser expressly waives the provisions of Section 227 of the Real Property Law and agrees that the provisions of this paragraph 25 shall govern and control in lieu thereof.

26. No representations.

Except as set forth in the Plan, the Seller has not made, does not make and is unwilling to make any representations as to the condition, income, expenses, Existing Leases, tenants, use, operation or any other matter or thing affecting or relating to the Property or title thereto or the transactions contemplated hereby. The Purchaser acknowledges and represents that, except as expressly set forth in the Plan or in this Agreement, the Seller has not made and the Purchaser has not relied upon any representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by or on behalf of the Seller, whether consisting of or contained in any architect's plans, sales plans, selling brochures, advertisements or otherwise, including, but not limited to, any relating to: (a) the description or physical condition of the Property or the Unit, or the size or the dimensions of the Unit, or any other physical characteristics thereof; (b) the services to be provided to Unit Owners; (c) the estimated Common Charges allocable to the Unit; (d) the right to any income tax deduction for any real estate taxes or mortgage interest paid by the Purchaser; (e) the current or future real estate tax liability, assessment or valuation of the Property or the Unit; (f) the potential qualification of the Property or the Unit for any and all benefits conferred by federal, state or municipal laws, whether for subsidies, special real estate tax

treatment, insurance, mortgages, or any other benefits, whether similar of dissimilar to those enumerated; (g) the compliance of the Unit or the Property, in its current or any future state, with applicable zoning ordinances and the ability to obtain a variance in respect to any non-compliance, if any, with said zoning ordinances; (h) the availability of any financing for the purchase, alteration, rehabilitation or operation of the Unit or the Property from any source, including but not limited to the state, city or federal government or any institutional lender; (i) the current or future use of the Unit or the Property; (j) the current or future condition and operating state of any and all machinery or equipment in the Unit or on the Property and the current or future structural and physical condition of the Unit, the Building or any other improvements to the Property or their suitability for rehabilitation or renovation; (k) the state of title to the Unit; and (l) the presence or absence of violations of Applicable Law; the Purchaser having relied solely on its 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 the Seller except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. The Purchaser agrees that the Seller and its agents and contractors will have no liability to the Purchaser nor shall the Purchaser be relieved of any of its obligations hereunder if there is a minor error or inaccuracy in the layout or dimensions of the Unit or of the Common Elements or any Limited Common Elements, if any, of the Condominium as shown on the Floor Plans.

27. Broker.

The Purchaser represents to the Seller that the Purchaser has not dealt with any broker other than the Selling Agent in connection with this transaction, other than _____ _____. The Purchaser agrees that should any claim be made against the Seller for commissions by anyone other than the Selling Agent based on alleged dealings with the Purchaser or the Purchaser's representatives, the Purchaser shall: (i) give testimony to such effect in any case, action or proceeding by any broker other than the Selling Agent, and (ii) indemnify and hold the Seller harmless from and against any and all liabilities, claims, damages, costs and expenses (including, but not limited to, reasonable attorneys' fees and expenses) arising out of or in connection with any claim for commissions or other

compensation with respect to this transaction or with respect to the Purchaser.

28. Assignment.

The Seller may assign this Agreement without limitation. The Purchaser shall not assign this Agreement without the prior written consent of the Seller except as otherwise expressly provided in the Plan.

(a) If the Seller consents to an assignment of this Agreement by the Purchaser, then any such consent shall be conditioned on the following:

(i) The assignee executing and delivering to the Seller, within five (5) days after the making of such assignment, an assumption of this Agreement in form and substance satisfactory to the Seller;

(ii) The Purchaser executing and delivering to the Seller a guarantee of the assignee's obligations under this Agreement and any instruments or agreements made pursuant to the provisions of this Agreement on or before or in connection with the closing hereunder, in form and substance satisfactory to the Seller;

(iii) The Purchaser and the assignee completing, executing and delivering any transfer tax returns required by Applicable Law to be filed in connection with such assignment and paying any transfer taxes due thereon at the closing hereunder; and

(iv) The Purchaser paying such additional fees as are specified in the Plan in connection with an assignment of this Agreement.

(b) Notwithstanding any such consent or assignment, the Purchaser shall not be released from any liability under this Agreement.

29. Purchaser's Representations.

(a) The Purchaser represents to the Seller and the Condominium as follows:

(i) If the Purchaser is an individual, the Purchaser is over 18 years of age and resides in the State of New York.

(ii) If the Purchaser is an entity, it is legally authorized to acquire the Unit and has an office for the conduct of its business in New York.

(iii) The Purchaser is not purchasing for the purpose of resale, subletting, assigning, or as an accommodation to, or solely for the account or benefit of the Seller or its principals.

(b) The Purchaser certifies that (i) if he or she is a tenant who was in occupancy on the date the Plan was filed, the Purchaser has agreed in good faith to purchase the Unit with no discriminatory repurchase agreement or other discriminatory inducement and the he or she is a bona fide tenant in occupancy, or that (ii) the Purchaser is a bona fide purchaser and he or she or a member of his or her immediate family intends to occupy the Unit when it becomes vacant.

30. Possession of Unit and the Purchaser's Work.

Except pursuant to an Interim Lease, the Purchaser shall not be entitled to have access to the Unit prior to the closing of title thereto without obtaining the Seller's prior written consent. Unless otherwise agreed in writing by the Seller, such access shall be for the limited purpose of inspection and taking measurements. If the Purchaser is permitted such access, the Purchaser shall release the Seller from any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from any injuries sustained by any person or damage to any property resulting from such access, even if such injury results from the negligence of the Seller, the Selling Agent, or any of their respective agents, employees, contractors or representatives. In addition, the Purchaser shall indemnify and hold the Seller, the Selling Agent and their respective agents, employees, contractors and representatives harmless from and against any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from such access, including, without limitation, reasonable attorneys' fees and expenses.

31. Liability of the Seller.

(a) The Seller shall not have any liability to the Purchaser or others with respect to any of the Seller's obligations under this Agreement, under the Plan, or otherwise in excess of the net proceeds paid to the Seller from the sale of the Units after payment of, or reserve for, any liabilities, costs or expenses of the Seller arising out of the promulgation of the Plan, the offering of the Units for sale and the consummation of the transactions contemplated in the Plan.

(b) The Seller 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, lock-out, action of labor unions or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of the Seller. The Seller's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

32. Acceptance of the Purchase Agreement.

(a) If the Purchaser is an Existing Tenant, this Agreement will be accepted by the Seller on condition that: (i) the Purchaser signs and returns this Agreement, together with the requisite Down Payment, within ninety (90) days from the Presentation Date of the Plan; (ii) the Purchase Price is in accordance with the price for the Unit set forth in the Plan; and (iii) the Purchaser has the exclusive right to purchase the Unit under the Plan.

(b) If the Purchaser is not an Existing Tenant of the Property or the conditions set forth in subparagraph (a) have not been met, the submission to the Seller of this Agreement shall not constitute a binding obligation on either the Purchaser or the Seller. No such binding obligation will arise until this Agreement is executed by both the Purchaser and the Seller (or the Seller's duly authorized agent) and one fully-executed copy has been delivered to the Purchaser and two fully-executed copies have been delivered to the Seller together with the Lead-Based Paint Disclosure Form in accordance with

subparagraph (c) below. If, within twenty (20) days after the Selling Agent receives this Agreement signed by the Purchaser, a copy of this Agreement signed by the Seller or its authorized agent is not sent or delivered to the Purchaser, then it will be deemed rejected and of no force or effect, and all monies paid by the Purchaser shall be refunded, without interest, within ten (10) days thereafter. Upon such refund being made, neither party will have any further rights, obligations or liabilities hereunder with respect to the other or any other party connected with the Plan. This Agreement may not be rejected due to the Purchaser's sex, race, creed, color, national origin, ancestry, sexual orientation, occupation or other ground proscribed by Applicable Law. Subject to the foregoing, the Seller has the right, without incurring any liability, to reject this Agreement without cause or explanation to the Purchaser.

(c) Notwithstanding anything to the contrary contained in subparagraph (a) above, the Seller shall have no obligation to accept this Agreement unless at the time this Agreement is submitted to the Seller, the Purchaser also delivers to the Seller the Lead-Based Paint Disclosure Form fully completed and signed by the Purchaser in triplicate.

33. Notices.

Notices hereunder shall be in writing and shall be either: (i) personally delivered (with receipt acknowledged), or (ii) mailed by registered or certified mail, return receipt requested, or (iii) sent by overnight courier (with receipt acknowledged), or (iv) sent by facsimile transmission, if available, provided and so long as a copy of such notice is sent the same day by any of the methods set forth in clauses (i), (ii) or (iii), to the parties as follows: to the Purchaser, at the address and facsimile number (if any) first stated in this Agreement, and to the Seller c/o Z & R Management Corp., 1623 Third Avenue, New York, New York 10128, Attention: Donald Zweibon (Fax No.: 212-828-4538), with a copy in like manner to Belkin Burden Wenig & Goldman, LLP, 270 Madison Avenue, New York, New York 10016, Attention: Aaron Shmulewitz, Esq. (Fax No.: 212-867-0709). Any of the parties noted in this Paragraph may change his, her or its address and/or facsimile numbers for purposes of this Paragraph by giving notice thereof to the other parties in the manner provided above. Reed Smith, LLP may give notices on behalf of the Seller. Notices shall be deemed given on the same day if personally delivered or sent by facsimile

transmission, the next business day if sent by overnight courier or five (5) days after mailing if sent by registered or certified mail, return receipt requested. Notwithstanding the foregoing, no notice of change of address shall be deemed given until actually received.

34. 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.

35. Survival of the Seller's and the Purchaser's Obligations.

All of the obligations of the Seller under this Agreement shall be deemed satisfied upon delivery of the deed to the Unit and the closing of title hereunder and no obligations of the Seller shall survive delivery of the deed except as otherwise expressly provided in this Agreement or the Plan. Except where the context otherwise requires, all the representations, warranties, and obligations of the Purchaser under this Agreement shall survive delivery of the deed and the closing of title hereunder, whether or not specifically so stated in any particular provision.

36. Further assurances.

The Purchaser shall execute, acknowledge and deliver to the Seller such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as the Seller may reasonably request in order to effectuate the provisions of this Agreement or any transaction contemplated herein or to confirm any of the obligations of the Purchaser hereunder or any right to be created or transferred hereunder or pursuant to any such transaction.

37. Severability.

If any provision of this Agreement or the Plan is held by a Court of competent jurisdiction to be invalid or unenforceable either 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 Applicable Law.

38. Strict compliance.

Any failure by the Seller to insist upon the strict performance by the Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and the Seller, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the Purchaser of any and all of the provisions of this Agreement to be performed by the Purchaser.

39. 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 contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

40. Waiver of trial by jury.

Except as prohibited by Applicable Law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to, this Agreement, or the relationship created hereby. 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.

41. No Recordation.

This Agreement shall not be recorded by the Purchaser without the Seller's prior written consent. Any purported recordation thereof by the Purchaser shall be void and constitute an Event of Default by the Purchaser hereunder.

42. Entire Agreement.

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties hereto and constitutes the entire agreement between them. The

Purchaser acknowledges and agrees that the Plan may be amended by the Seller from time to time as provided in the Plan and that this Agreement may be amended by the Seller to conform to the provisions of any such amendment by delivering to the Purchaser a notice thereof, subject, however, to any rights which the Purchaser may have to rescind this Agreement as provided in the Plan.

43. 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 term **"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. The term **"including"** shall be deemed to mean **"including without limitation"** whether or not so stated in the text.

44. Captions.

The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

45. Successors and assigns.

Without limiting the provisions of paragraph 28, the provisions of this Agreement shall bind the Purchaser and its heirs, legal representatives, successors and assigns, and shall inure to the benefit of the Purchaser's heirs, legal representatives and permitted assigns and shall bind and inure to the benefit of the Seller and its successors and assigns.

46. 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 at the time of execution hereof, in a separate written agreement signed by the parties.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the day and year first above written.

Seller: **452 WEST COMPANY**

By: _____

Purchaser(s): _____

_____

EXHIBIT A TO PURCHASE AGREEMENT

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWN PAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: The 452 West 19 Condominium
452 West 19th Street
New York, New York
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 down payment.
[ ] forfeiture of down payment.
[ ] other: _____
_____

5. The project is [ ] a conversion of occupied premises.

[ ] newly constructed or rehabilitated.
[ ] vacant (as is).

6. The project is structured as
[ ] a cooperative.
[ ] a condominium.

[ ] a homeowners association.
[ ] a time share.
[ ] other: _____

7. Name and Address of Sponsor: _____

_____

8. Name and Address of Escrow Agent: _____

Belkin Burden Wenig & Goldman, LLP
270 Madison Avenue
New York, New York 10016
(212) 867-4466

9. If down payments are maintained in an escrow account:

(1) Name of account

_____

(2) Name and address of bank:

Hudson Valley Bank
60 East 42nd Street
New York, New York 10165

(3) Account number (if known) _____

(4) Initial interest rate (if known) _____

10. If down payments have been secured by bonds:

(1) Name and address of bond issuer or surety:

_____

(2) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain:

_____

_____

11. If down payments have been secured by a letter of credit:

(1) Name and address of bank which issued the letter of credit:

(2) Date of expiration of the letter of credit, if known:

_____

12. Plan information:

(1) Date of filing of plan:_____

(2) Plan

[ ] has been declared effective. Approximate date:

_____

[ ] has not been declared effective.

(3) If effective, the plan

[ ] has closed or the first unit has closed. Approximate date:

_____

[ ] has not closed.

[ ] don't know.

(4) Down payments are secured by

[ ] escrow account.

[ ] bonds.

[ ] letter of credit.

13. Contract information:

(1) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(2) Date on which subscription or purchase agreement was signed: _____

(3) Date(s) of down payment(s):_____

(4) Total amount of down payment(s):_____

(5) Names and addresses of subscribers or the 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:_____

PRE-CONTRACT SIGNING INSPECTION AGREEMENT

"Date": _____, 20__.

"Party or Parties": **"I"** am the Party signing below as "Prospective Purchaser" of the subject Unit.

My address for notices and telephone numbers are:

_____
[Street]

_____
[City] [State] [Zip Code]

Telephone Nos.: (_)_____ (_)_____
Home Business

"You" are the Party signing below as the "Prospective Seller" of the subject Unit.

Your address for notices and telephone number are:

c/o Z & R Management Corp.
1623 Third Avenue
New York, New York 10128
Attention: Donald Zweibon
Telephone No.: (212) 828-4533

"Unit" Unit ____ of the Building.

"Building" The 452 West 19 Condominium
452 West 19th Street
New York, New York

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1. **Definitions**

1.1 The meanings stated for the words within quotation marks on the first page and elsewhere in this Agreement apply wherever these words appear in this Agreement.

2. **Election for Risk Assessment or Inspection**

2.1 I have elected to conduct a risk assessment or inspection (collectively, **"Test/Inspection"**) for the presence of lead-based paint and/or lead-based paint hazards in accordance with my rights under applicable Federal regulations (**"Regulations"**).

2.2 I understand that I am to conduct the Test/Inspection within 10 full calendar days after I receive this Agreement signed by, or on behalf of, you. Thereafter, all of my rights under this Agreement to conduct the Test/Inspection will end and I will be deemed conclusively to have waived my rights under the mentioned Regulations to conduct a Test/Inspection.

2.3 Promptly after being received by me, I will give you, without any kind of fee or charge, a written report of the results of the Test/Inspection, including a copy of a report (if any) issued by my "Consultant" (defined in Provision "3.1") and a copy of the laboratory or other report (if any) analyzing samples (if any) taken during the Test/Inspection.

3. **Access**

3.1 In order to conduct the Test/Inspection, I and my contractor, engineer or other consultant (collectively, **"Consultant")** will be given reasonable access to the Unit and public areas of the Building in accordance with this Agreement.

3.2 A. The Test/Inspection will be held at a mutually convenient time and date.

B. Unless otherwise agreed, the Test/Inspection will occur between 9:00 a.m. and 5:00 p.m. on a day (**"business day"**) that is not a Saturday, Sunday or legal holiday of the State of New York or the United States government.

C. I will give you (or, if you designate someone to represent you) your designated representative at least two (2) full business days' advance notice of my proposed date of the Test/Inspection.

3.3 I and my Consultant will conduct the Test/Inspection in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Building or the units therein.

3.4 Unless waived in writing by you (in your sole and absolute discretion), you or your designated representative (as applicable) will have the right to accompany me and my Consultant (if any) during the Test/Inspection and the Test/Inspection will not be made without you or such representative (as applicable) being present.

4. **Liability for Damages, Injuries and Litigation**

4.1 I will be liable, and reimburse you upon demand, for any damages (to the Unit or elsewhere), injuries and all claims and lawsuits (collectively **"litigation"**) caused by me or my Consultant while conducting the Inspection.

4.2 My liability and obligation for reimbursement include:

4.3 all reasonable costs and expenses you pay or incur to restore the applicable damaged area to the condition existing immediately before the Inspection;

4.4 all judgments, awards, losses, damages, penalties and fines resulting from such damages or injuries;

and

4.5 all **"reasonable litigation costs and expenses"** (that is, reasonable legal fees and disbursements, court costs and all related litigation expenses) to defend any such litigation against you as well as to enforce your rights to collect monies I may owe you under this Agreement.

4.6 You will have the exclusive right:

4.7 to repair the damage to and make all repair decisions (including the selection of all materials, suppliers and manufacturers, as well as all contractors, professionals and workers engaged to perform the work);

and

4.8 to defend, conduct and control the litigation and to make all litigation decisions (including the selection of the attorneys).

5. **No Invasive Test/inspection**

5.1 I and my Consultant (if any) will not perform an "Invasive Test/Inspection" (defined below) without first obtaining your written approval.

5.2 You are not obligated to give such approval. If you elect to approve, then any such approval is conditioned upon my escrowing with your attorneys, under a separate agreement to be entered into, a mutually agreeable amount to secure my liability for damages under Provisions "4.1" and "4.2" above.

5.3 An **"Invasive Test/Inspection"** is any kind of probe, penetration or disturbance of a painted or covered surface.

6. **No Obligation to Buy or Sell the Unit**

6.1 This is NOT a reservation, option, commitment or agreement for the purchase or sale of the Unit and you are not in any way bound or obligated to sell the Unit to me.

6.2 You are NOT obligated to reserve or withhold the Unit from sale for me and are free to offer and contract to sell the Unit to others without any kind whatsoever of recourse by me against you.

6.3 You are NOT obligated to abate, contain, remove or make any corrections in the event of the existence of lead-based paint or lead-based paint hazards.

6.4 This Agreement is NOT a lien against the Unit.

6.5 I will not record this Agreement and I will violate a substantial obligation to you if I try to record this Agreement. In the event of such violation, I will be liable, and will reimburse you upon demand, for all damages, losses, costs and expenses (including all reasonable litigation costs and expenses) you may pay or incur as a result of such violation as well as to enforce your rights and to collect monies due you under this Provision "6".

6.6 My agreements, obligations and liabilities under these Provisions are binding, enforceable and independent, and are NOT conditional upon my entering into a purchase agreement for the Unit.

7. **Notices**

7.1 Unless otherwise expressly provided elsewhere in this Agreement, any notice, request, consent, election, waiver, designation, demand or other communication (collectively, **"notice"**) to be given or made to or by the Parties in connection with this Agreement must be in writing and either:

(1) delivered by hand, telecopier (with electronic confirmation followed by mail confirmation given within one business day thereafter) or overnight delivery by Federal Express or other recognized carrier guaranteeing the next day delivery;

or

(2) sent by certified or registered mail, return receipt requested, postage prepaid.

7.2 Each notice to a Party will be addressed to the Party at its address given in the preamble on the first (signature) page.

7.3 A copy of each notice shall be sent simultaneously and in like manner to the person and address (if any) specified by a Party in a notice to the other Party.

7.4 Each Party may, by notice to the other, change the address to which future notices are to be sent or change or

add a person to whom a notice or a copy of a notice is to be sent.

7.5 Unless otherwise provided elsewhere in this Agreement, each notice shall be considered to be given on:

(1) the date delivered by hand or sent by telecopier (unless it is not a business day or is not received before 5:30 p.m., in which case the notice shall be considered given on the first business day after being so delivered or sent);

(2) the next business day after being given to a recognized carrier for overnight delivery;

(3) the second full business day following the date of mailing in the City and State of New York;

or

(4) the third full business day following the date of mailing outside the City and State of New York.

However, a notice of a change of address or person pursuant to Provision "7.4", shall not be deemed given until received.

7.6 A notice that is mailed shall be deposited into a branch office or an official mail depository maintained by the United States Postal Service.

7.7 Failure to accept a notice is deemed receipt of it and does not invalidate the notice or excuse the performance of an obligation.

8. **No Negative Construction Against Drafting Party**

8.1 The Parties agree that the normal rules of construction to resolve ambiguities against the Party whose counsel drafted this Agreement shall not be followed in the interpretation of this Agreement. Consequently, no negative inference or interpretation shall be made by a court in enforcing the Provisions of this Agreement against the Party whose attorney drafted this Agreement.

9. **Governing Law; Venue; and Service of Lawsuits**

9.1 Venue and Service

Any lawsuit or proceeding arising out of this Agreement:

(a) must be brought in the Supreme Court of the State of New York;

(b) must be brought in the County in which the Unit or Prospective Seller is located;

and

(c) may be commenced by serving the summons and/or complaint by certified or registered mail (return receipt requested), postage prepaid, deposited in an official mail depository maintained by the U.S. Postal Service, and sent to the Party at the Party's address for notices set forth in Provision "7.2" or any other address of which the Party has given notice in accordance with Provision "7.4."

10. **Invalid Provisions Severed**

10.1 The invalidity or unenforceability of all or part of a Provision of this Agreement shall not affect the validity of the other Provisions of the unaffected other parts of such Provision, which shall be enforced to the fullest extent permitted by law.

11. **Binding Effect; Seal and Notarization Not Required; Successors; Assignment Prohibited**

11.1 This Agreement binds, benefits and is enforceable by and against each Party and each Party's successors. A reference in this Agreement to a Party includes such Party's successors.

11.2 This Agreement is effective, binding and enforceable without the seal of a corporate Party or the acknowledgment or notarization of a signature.

11.3 I may not assign this Agreement or my rights or interests under this Agreement and any purported assignment

thereof shall be null and void and shall constitute a substantial violation of this Agreement by me.

12. **Merger**

12.1 All prior or contemporaneous statements, representations, promises, negotiations, discussions, projections, opinions, estimates, understanding and agreements of any kind whatsoever not set forth herein, whether oral or written, are merged in, and superseded by, this Agreement and have no effect unless they are expressly contained in this Agreement.

13. **Changes and Waivers**

13.1 A Provision of this Agreement may be changed or waived only in a writing signed by the Party to be charged.

13.2 The failure to enforce or insist on strict performance of any Provision will not mean or infer that the Provision has been waived or that the right to enforce or insist thereafter on strict performance of that or any other Provision has been waived. A waiver of any breach or violation of any Provision is not, and shall not be construed as, a waiver of any other or subsequent breach or violation thereof.

14. **Broker**

14.1 I represent to you that I have not dealt with any broker, agent or salesperson (collectively, **"broker"**) in connection with this Unit other than the broker (if any) identified on the signature page hereof.

14.2 I agree that such broker (if any) is NOT entitled to receive from you, and you are NOT liable or obligated to pay to any such broker, any fee, commission or compensation in connection with this Agreement. I also agree that your obligations (if any) to any such broker is to be governed by a separate brokerage agreement if you elect (at your sole and absolute option and discretion) to enter into such agreement with the broker.

14.3 I agree to indemnify and hold you harmless, and to promptly upon demand reimburse you, for all losses,

damages, costs and expenses (including all reasonable litigation costs and expenses) you may pay or incur as a result of representation and agreements in this Provision "14".

15. **Table of Contents and Captions; References; and Grammar**

15.1 The Table of Contents and captions used herein are for convenience only and do not control or affect the meaning or interpretation of any Provision.

15.2 All references in this Agreement to a Provision, paragraph, clause or page refers to the Provisions, paragraphs, clauses and pages of this Agreement.

15.3 The use of the singular includes the plural and the use of any gender or tense (past, present or future) includes any other gender or tense whenever required by the sense of this Agreement.

We evidence our agreement to be bound by the foregoing provisions of this Agreement by signing this Agreement below.

PROSPECTIVE SELLER:

452 WEST COMPANY

_____

By:

PROSPECTIVE PURCHASER:

_____

Signature

NO FEE, COMMISSION OR COMPENSATION IS EARNED, DUE OR PAYABLE TO THE UNDERSIGNED BROKER IN CONNECTION WITH THIS AGREEMENT:

Name of Broker

By:_____

Name:

Title:

Dated:

ESCROW AGREEMENT

AGREEMENT made this __ day of_____, 20__, between 452 WEST COMPANY, having an address c/o Z & R Management Corp., 1623 Third Avenue, New York, New York 10128 ("SPONSOR") as Sponsor of the offering plan described below, and BELKIN BURDEN WENIG & GOLDMAN, LLP, having an address at 270 Madison Avenue, New York, New York 10016 ("ESCROW AGENT"), as escrow agent.

WHEREAS, SPONSOR is the sponsor of an offering plan (as same may be amended, the "Plan") to convert to condominium ownership the premises located at 452 West 19th Street, New York, New York (the "PREMISES"); and

WHEREAS, ESCROW AGENT 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 by purchasers on account of the purchase price of condominium units in the Premises (collectively "UNITS" and each a "UNIT") under the Plan, pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. **ESTABLISHMENT OF THE ESCROW ACCOUNT.**

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers on account of the purchase price of under the Plan (collectively the "DEPOSITS" and each a "DEPOSIT"). The escrow account has been opened with Hudson Valley Bank, (the "Bank") at its branch located at 60 East 42nd Street, New York, New York. The account number is _____ (the "ESCROW ACCOUNT").

1.2 The master name of the Escrow Account is "Belkin Burden Wenig & Goldman, LLP as Escrow Agent for 452 West Company."

1.3 Members of the ESCROW AGENT are the sole signatories on the Escrow Account.

1.4 The Escrow Account shall be an interest-bearing account. The interest rate to be earned on the Deposits will be the rate paid from time to time by the Bank for the same type of account as the escrow account. Interest will begin to accrue when the check for a Deposit is collected, and provided there is no charge back or debit by the Bank against the amount deposited.

1.5 The ESCROW AGENT may from time to time, upon notice to the SPONSOR and all purchasers who have made Deposits with ESCROW AGENT, change the depository in which the DEPOSITS are held to another lending institution in New York City without the necessity of amending the Plan.

2. **DEPOSITS INTO THE ESCROW ACCOUNT.**

2.1 All Deposits received by ESCROW AGENT from each prospective purchaser of a Unit under the Plan, on account of the purchase price thereunder, prior to closing of such Unit, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payer, shall be deposited in the Escrow Account. All instruments to be deposited into the Escrow Account shall be made payable to, or endorsed by the purchaser to the order of "Belkin Burden Wenig & Goldman, LLP, as Escrow Agent for 452 West Company/[Name of Purchaser]" Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to the prospective purchaser promptly after receipt by ESCROW AGENT of such instrument following any attempts to deposit it; but, in any event, following such unsuccessful attempts to deposit it, ESCROW AGENT shall mail or otherwise send such instrument to such prospective purchaser within five business days of such receipt of such instrument by ESCROW AGENT. In the event of such return of such instrument, then such instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 For purposes of this Section 2.2, an unconditional tender and delivery of a Deposit shall be deemed to have been made if a Deposit is delivered together with a purchase agreement in the form agreed to by SPONSOR without any request for a change in such form or the terms of such purchase

agreement. Within 10 business days after unconditional tender and delivery to SPONSOR or the Selling Agent, if any, of a Deposit required to be submitted by a purchaser on account of the purchase of a Unit under the Plan, together with the purchase agreement for the purchase of such Unit, ESCROW AGENT shall notify such purchaser of the deposit of such funds in the bank indicated in the Plan, provide the account number, and disclose the initial interest rate. Subject to the provisions of the next sentence, if such purchaser does not receive notice of such deposit within fifteen (15) business days after unconditional tender and delivery to SPONSOR or the Selling Agent, if any, of such Deposit, then such purchaser may cancel the purchase and rescind such purchaser's purchase agreement so long as such right to rescind is exercised within ninety (90) days after such purchaser's unconditional tender and delivery of such Deposit to SPONSOR or the Selling Agent, if any, or such purchaser may apply to the New York State Department of Law (the "ATTORNEY GENERAL") for relief. However, a purchaser shall not be entitled either to rescind such purchaser's purchase agreement or to receive a refund of such purchaser's Deposit where proof satisfactory to the Attorney General is submitted establishing that such Deposit was timely deposited and notice as provided above was timely mailed to such purchaser in accordance with all regulations of the Attorney General.

3. **RELEASE OF FUNDS**.

3.1 ESCROW AGENT shall not release the Deposit of a defaulting purchaser to SPONSOR until after consummation of the Plan. SPONSOR shall promptly, after consummation of the Plan, amend the Plan to disclose that consummation of the Plan has occurred. "Consummation of the Plan" shall mean the first closing of title for the sale of a Unit under the Plan and in accordance with its requirements. Consummation of the Plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold a purchaser's Deposit in escrow until: (a) otherwise directed in one or more writings signed (whether on the same or separate counterparts) by each of SPONSOR and such purchaser, or (b) otherwise directed in a determination of the Attorney General, pursuant to the dispute resolution procedures contained in the Attorney General's regulations, or (c) a judgment or order of a court of competent jurisdiction permits or requires the release of such

Deposit, or (d) such Deposit is paid by ESCROW AGENT into a court of competent jurisdiction, or (e) such Deposit is paid to SPONSOR as provided below, or (f) such Deposit is paid to such purchaser as provided below.

3.3 SPONSOR shall not object to the release of the Deposit of any purchaser to such purchaser, provided such purchaser has not defaulted and has timely and validly rescinded such purchaser's purchase agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan.

3.4 If there is no written agreement between SPONSOR and a purchaser to release the Deposit paid by such purchaser, ESCROW AGENT shall not pay such Deposit to SPONSOR until after 10 business days following the date that ESCROW AGENT has given such purchaser written notice that ESCROW AGENT intends to pay to SPONSOR such Deposit. Thereafter, such Deposit may be paid to SPONSOR unless such purchaser has already made application to the Attorney General pursuant to the dispute resolution provisions contained in the Attorney General's regulations and ESCROW AGENT has received, within such 10 business day period, notice from such purchaser that such application has been made.

4. **RECORD KEEPING**.

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

4.2 In the event that ESCROW AGENT shall dissolve as a law firm, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Attorney General of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. **GENERAL RIGHTS AND OBLIGATIONS OF ESCROW AGENT**.

5.1 ESCROW AGENT shall maintain the Escrow Account under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship, pursuant to this Agreement, shall exist between ESCROW AGENT and purchasers who have paid

Deposits which are held by ESCROW AGENT, and ESCROW AGENT acknowledges such fiduciary obligations.

5.3 ESCROW AGENT undertakes to perform only such duties as are expressly set forth herein. If there is any conflict or inconsistency between the provisions of this Agreement and either the Plan or any Purchase Agreement (as defined in the Plan), the provisions of this Agreement shall be controlling.

5.4 If conflicting demands are made or notices are served upon ESCROW AGENT with respect to this Agreement, or if ESCROW AGENT shall hold a good faith belief that the rights of a claimant to any Deposit are not absolutely clear, the signatories hereto agree that ESCROW AGENT may refuse to comply with any such claim or demand and, except as hereinafter set forth in this Agreement, may withhold and stop all further proceedings in the performance of this Agreement so long as such disagreement shall continue. In so doing, ESCROW AGENT shall not be or become liable for damages or interest to any of the signatories hereto or to any other person for its failure to comply with such conflicting or adverse demands or notices. ESCROW AGENT may continue to so refrain and so refuse to act until (i) the rights of the adverse claimants have been finally adjudicated in a court having and assuming jurisdiction of the parties and/or the Deposit, as the case may be, or (ii) all differences, with respect to any Deposit, shall have been resolved by mutual agreement of SPONSOR and the purchaser who paid such Deposit, and ESCROW AGENT shall have been notified thereof in writing signed by both of said parties. In the alternative, ESCROW AGENT may, but shall not be obligated to, file a suit in interpleader for a declaratory judgment for the purpose of having the respective rights of the claimants adjudicated, and/or may deposit any Deposit with a court of competent jurisdiction, in which event SPONSOR agrees to pay all costs, expenses and attorneys' fees incurred by ESCROW AGENT in connection therewith. In the event that ESCROW AGENT shall deposit any Deposit with such court, the ESCROW AGENT shall be fully released and discharged from any and ail further duties and obligations hereunder with respect to such Deposit.

5.5 ESCROW AGENT shall not be responsible for any interest on any Deposit except for such as is actually received by ESCROW AGENT.

5.6 SPONSOR hereby agrees to indemnify ESCROW AGENT from, and to hold it harmless against, any loss, liability or expense (including, without limitation, attorneys' fees and expenses) incurred without gross negligence, willful default, or bad faith on the part of ESCROW AGENT, arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, including the costs and expenses of defending itself against any claim or liability.

5.7 In any action or proceeding, ESCROW AGENT may represent SPONSOR, even if such action or proceeding relates to or involves any Deposit, at the same time as ESCROW AGENT is holding such Deposit pursuant to this Agreement.

6. **RESPONSIBILITIES OF SPONSOR.**

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver to ESCROW AGENT each Deposit on account of the sale of a unit under the Plan which has been received by SPONSOR or such agents prior to closing of the sale of such Unit within one business day of receipt thereof.

6.2 SPONSOR agrees that it shall not interfere with ESCROW Agent's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. **TERMINATION OF AGREEMENT.**

7.1 This Agreement shall remain in effect unless and until it is canceled, by either:

1. 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 Plan with the Attorney General providing for a successor ESCROW AGENT; or

2. The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment to the Plan with the Attorney General providing for a successor ESCROW AGENT; or

3. All Deposits held by ESCROW AGENT have been paid by ESCROW AGENT from the Escrow Account as provided in this Agreement.

ESCROW AGENT shall not be responsible for any delay between either (i) any such cancellation by SPONSOR of the designation of ESCROW AGENT, or (ii) the resignation of ESCROW AGENT, and, in either such case, the date on which an amendment to the Plan appointing a successor ESCROW AGENT has been filed by the Attorney General and notice thereof has been given to ESCROW AGENT. Once any such cancellation of the designation of ESCROW AGENT has been given to ESCROW AGENT, or once ESCROW AGENT has given to SPONSOR notice of resignation as ESCROW AGENT, then in either case ESCROW AGENT shall not be obligated to accept thereafter any new Deposits in the 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 Deposits held by it in escrow to the new successor ESCROW AGENT set forth in such amendment to the Plan, provided ESCROW AGENT has received a copy of such amendment.

8. **SUCCESSORS AND ASSIGNS.**

8.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. **GOVERNING LAW.**

9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. **ESCROW AGENT'S COMPENSATION.**

10.1 SPONSOR agrees that any compensation to ESCROW AGENT shall not be paid from the Deposits nor from any interest accruing thereon (unless and to the extent SPONSOR is entitled to be paid such Deposits pursuant to this Agreement) and that compensation to ESCROW AGENT, if any, shall not be deducted from the Deposits (unless and to the extent SPONSOR is entitled to be paid such Deposits pursuant to this Agreement) by any financial institution under any circumstance. SPONSOR shall reimburse to ESCROW AGENT any fees or charges incurred in connection with the establishment and maintenance of the escrow account.

11. **SEVERABILITY**.

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. **ENTIRE AGREEMENT**.

12.1 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.

13. **NOTICES**.

13.1 All notices and communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or sent by regular, certified or registered mail, with or without return receipt requested, postage prepaid, addressed as follows:

To SPONSOR: 452 WEST COMPANY
c/o Z & R Management Corp.
1623 Third Avenue
New York, New York 10128
Attn: Donald Zweibon

To ESCROW AGENT: BELKIN BURDEN WENIG & GOLDMAN, LLP
270 Madison Avenue
New York, New York 10016
Attn: Aaron Shmulewitz, Esq.

or at such other address as any of the above may have furnished, as the address of such party, to the other parties in a notice given in accordance with the provisions of this Section. All notices sent in accordance with this Section shall be deemed given upon personal delivery or five days after the date of mailing, as the case may be.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

BELKIN BURDEN WENIG & GOLDMAN, LLP

By:_____
Aaron Shmulewitz, Member

SPONSOR:

452 WEST COMPANY

By:_____

UNIT OWNER'S POWER OF ATTORNEY

THE 452 WEST 19 CONDOMINIUM

All terms used in this Unit Owner's Power of Attorney that are used (a) in the declaration (the **"Declaration"**) establishing a plan for condominium ownership of the premises known as and by the street number 452 West 19th Street, New York, New York (the **"Property"**) under Article 9-B of the Real Property Law of the State of New York, dated _____, 20__, and recorded in the Office of the Register of the City of New York, New York County on _____, 200_, as CRFN _____, or (b) in the by-laws of the Condominium (the **"By-Laws"**) attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned _____ , (having an office) (residing) at 452 West 19th Street, New York, New York 10011, the owner of the Condominium Unit (the **"Undersigned's Unit"**) known as Unit No. ____ in The 452 West 19 Condominium (the **"Condominium"**), known by the street address as 452 West 19th Street, New York, New York and consisting of the real property and improvements thereon as more particularly described on Schedule A annexed hereto and made a part hereof, such Unit being also designated as Tax Lot___ in Block 716 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 irrevocably nominate, constitute and appoint, and does hereby authorize, 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 the Unit Owners' respective Common Interests, 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 so desiring to sell, convey, transfer, assign or lease, (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender such Unit pursuant to the terms of the By-Laws, and (c) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and, with

respect to any transfer pursuant to the terms of subdivision 1(a) or 1(c) of this paragraph at such price or at such rental, as the case may be, as such attorneys-in-fact deem proper, and thereafter to convey, sell, lease, mortgage or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, on such terms as such attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in such premises which the undersigned could do if the undersigned were personally present, (2) to file, prosecute, negotiate and settle, on behalf of all Unit Owners, appropriate tax certiorari proceedings so as to reduce the assessed valuations of, and/or real estate taxes due with regard to, all Units in the Condominium, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium that 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 Condominium or (b) 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.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned do(es) hereby irrevocably nominate, constitute and appoint 452 West Company (the "**Sponsor**"), as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, By-Laws and the Rules and Regulations of the Condominium, or any of such documents, when such amendment: (i) 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 or its designee in accordance with the Declaration, or (ii) will 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 subdivisions (i) or (ii)

of this paragraph will not (x) change the Common Interest of the Undersigned's Unit, (y) require a material, physical modification to the Undersigned's Unit, or (z) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivisions (x) or (y) of this paragraph) or the holder of such mortgage (in the event described in (z) 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 will remain in full force and effect until such time as Sponsor or its designee will cease to own any of the Units in the Condominium.

IN WITNESS WHEREOF, the undersigned has/have executed this Unit Owner's Power of Attorney as of the ___ day of _____, 20__.

_____

_____

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On this _____ day of _____, 20__ 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 person(s) whose name(s) is/are subscribed to in the within instrument, and acknowledged to me that he/she they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

_____
Notary Public

UNIT _____
THE 452 WEST 19 CONDOMINIUM
452 WEST 19TH STREET
NEW YORK, NEW YORK

BLOCK 716
LOT _____

RECORD AND RETURN TO:

AARON SHMULEWITZ, ESQ.
BELKIN BURDEN WENIG & GOLDMAN, LLP
270 MADISON AVENUE
NEW YORK, NEW YORK 10016

UNIT DEED

THE 452 WEST 19 CONDOMINIUM

This INDENTURE, made the __ day of_____ , 20__, by and between **452 WEST COMPANY**, a general partnership organized and existing under the laws of the State of New York (the "**Grantor**"), having an office c/o Z & R Management Corp., 1623 Third Avenue, New York, New York 10128, and _____ _____(singly, jointly or collectively the "**Grantee**") (having an office) (residing at) _____ _____.

WITNESSETH:

That the Grantor, in consideration of Ten Dollars ($10.00) and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The condominium unit known as Unit No. __ (the "**Unit**") in the building known as The 452 West 19 Condominium (the "**Condominium**") and by the street number 452 West 19th Street, Borough of Manhattan, City, County and State of New York (the "**Building**"), such Unit being designated and described as Unit No. ___ in a certain declaration dated _____, 2006 made by the Grantor pursuant to Article 9-B of the Real Property Law of the State of New York, as amended (the "**Condominium Act**"), establishing a plan for condominium ownership of the Building and the land upon which the Building is situate as more particularly described on Schedule A annexed hereto and made a part hereof (the "**Land**"), which declaration was recorded in the New York County Office of the Register of the City of New York, on the ___day of _____, 20___, as CRFN _____ _____, as same may have been subsequently amended (collectively, the "**Declaration**"). The Building and the Land are referred to herein as the "**Property.**" This Unit is also designated as Tax Lot _____ in Block 716 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 George Schwarz, R.A., on the ___ day of , 20___, and filed with the Real Property Assessment Department of the City of New York on the ____ day of _____, 20 , as Condominium Plan No. _____ and also filed in the New York

County Office of the Register of the City of New York on the day of _____, 20___, 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 of the Declaration and of the By-Laws (including the Rules and Regulations) (as such terms are defined in the Declaration) of the Condominium, as such Declaration and By-Laws may be amended from time to time by instruments recorded in the New York County Office of the Register of the City of New York, all of which rights, obligations, easements, restrictions and other provisions, shall constitute covenants running with the land and shall bind any and all persons having at any time any interest or estate in the Unit, as though recited and stipulated at length herein; and subject to any other matters of record as of the date hereof;

TO HAVE AND TO HOLD THE SAME UNTO the Grantee, and the heirs or successors and assigns of the Grantee, forever.

If any provision of the Declaration or the By-Laws is ruled by a Court of competent jurisdiction to be 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 that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, 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 will control.

Except as otherwise specifically permitted by the Condominium Board (as such term is defined in the Declaration) or provided in the Declaration or in the By-Laws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything to be done whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws).

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvements at the Property and will apply such consideration first to the payment of the cost of such improvements before using any part thereof for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws of The 452 West 19 Condominium, recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof as the same may be amended from time to time by instruments recorded in the Register's Office of the City and County of New York, and further agrees to comply with any Rules and Regulation adopted in accordance with the provisions of said By-Laws. The Grantee specifically accepts and ratifies those provisions of the Declaration which direct that any tax exemption and tax abatement benefits granted the Property be apportioned among all Units in proportion to their respective Common Interests. The Grantee covenants on behalf of the Grantee, and on behalf of the heirs, successors and assigns of the Grantee, that no suit shall be maintained by the Grantee or the heirs, successors or assigns of the Grantee against the City of New York, the Grantor herein or the Condominium in which the Grantee or the heirs, successors or assigns of the Grantee allege that any apportionment of such benefits made in accordance with the provisions of the Declaration is contrary to law. This covenant by the Grantee is made in favor of all other Unit Owners, the Condominium Board, the Condominium, the Grantor and the City of New York.

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.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this indenture as of the day and year first above written.

GRANTOR:

452 WEST COMPANY

By: _____

GRANTEE:

_____

_____

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On this _____ day of _____, 20__ 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 person(s) whose name(s) is/are subscribed to in the within instrument, and acknowledged to me that he/she they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On this _____ day of _____, 20__ 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 person(s) whose name(s) is/are subscribed to in the within instrument, and acknowledged to me that he/she they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

_____
Notary Public

UNIT _____
THE 452 WEST 19 CONDOMINIUM
452 WEST 19TH STREET
NEW YORK, NEW YORK

BLOCK 716
LOT _____

RECORD AND RETURN TO:

DECLARATION

Establishing A Plan of Condominium Ownership

for the Premises known as

THE 452 WEST 19 CONDOMINIUM

located at

452 West 19th Street, in the
Borough of Manhattan, County, City and State of New York

Pursuant to Article 9-B of the
Real Property Law of the State of New York

DECLARANT: 452 WEST COMPANY

BLOCK: 716

LOT: Formerly known as Lot 64
(now known as lots _____ through and including _____)

DATE OF DECLARATION: _____, 2006

Record and Return to:

AARON SHMULEWITZ, ESQ.
BELKIN BURDEN WENIG & GOLDMAN, LLP
270 Madison Avenue
New York, New York 10016

Attorneys for Declarant

Declaration establishing a plan of Condominium ownership for The 452 West 19 Condominium at the Premises located at 452 West 19th Street, in the Borough of Manhattan, County, City and State of New York, pursuant to Article 9-B of the Real Property Law of the State of New York.

452 West Company, a partnership organized and existing under the laws of the State of New York, having an address at c/o Z & R Management Corp., 1623 Third Avenue, New York, New York 10128 (the "Declarant"), does hereby declare:

1. Submission of Property. The Declarant hereby submits the land more particularly described on Schedule A attached hereto and made a part hereof (the "Land"), together with the building (the "Building") and improvements thereon erected, and the fixtures therein located (which Land, Building, improvements and fixtures are collectively referred to as the "Property"), owned by the Declarant in fee simple absolute, to the provisions of Article 9-B of the Real Property Law of the State of New York, more particularly known as the "Condominium Act" (the "Act").

2. Description of the Land. The Land is located in the Borough of Manhattan, in the County, City and State of New York, and bears the street number 452 West 19th Street. The Land is also designated as Block 716, Lot 64 and consists of approximately 4,600 square feet (.1056 acres).

3. Description of the Building. The Building consists of five stories and a cellar. The Building is classified as an "Old Code" multiple dwelling, and is constructed primarily of a wood frame structure, with a brick exterior. The Building contains twenty (20) residential units (the "Units"). The owners of the Units are hereinafter referred to as the "Unit Owners".

4. Description of Units. Annexed hereto as Schedule B and made a part hereof is a schedule of the following information for each Unit: Unit designation; designation of tax lot number; designation of location in Building; statement of approximate area in square feet; percentage of ownership interest in the Common Elements of the Condominium; and statement of Common Element(s) to which the Unit has immediate access. The information above-described is shown on floor plans

of the Building, certified by George Schwarz, R.A., dated __ _____, 2005 (the "Floor Plans"), which are intended to be recorded in the Office of the Register of the City of New York, County of New York, simultaneously with the recordation of this Declaration. The location of the Building is shown on the site plan intended to be recorded in the Office of the Register of the City of New York, County of New York, as part of this Declaration.

For the purposes of this Declaration, a "Unit" shall be defined as defined in section 339-e of the Act, and shall be more particularly described as follows: consisting of the area enclosed horizontally by the hidden (unexposed) surface of the plaster walls enclosing such Unit and the area enclosed vertically, from the top of the concrete floor to the underside of the concrete ceiling of such Unit.

Each Unit shall be deemed to include all plumbing, heating and electrical fixtures contained in such Unit, any appliances attached to any such fixtures located within such Unit, and all through-the-window and through-the-wall air conditioners contained in such Unit. Doors and windows contained in a Unit which open from the Unit shall be deemed part of the Unit. Any terrace, balcony, patio or garden to which a Unit is immediately adjacent and the exclusive use and enjoyment whereof is restricted to that Unit shall be deemed part of the Unit. Notwithstanding anything to the contrary, no Unit shall be deemed to include any structural or supporting column or any pipe, wire, conduit, beam or other similar structure or element a portion of which is present in, adjacent to, or passes through, whether visibly or not, the Unit if such column, pipe, wire, conduit, beam or similar structure or element is utilized for, or services, any other part of the Building, including, without limitation, any other Unit or the Common Elements.

5. Common Elements. (A) The "Common Elements" of the Condominium consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, elevators, spaces and other parts of the Building, and all Facilities (as defined below), for the common use of all Units or all Unit Owners, or which are necessary or convenient for the existence, maintenance

and safety of the Property. The Common Elements include the Limited Common Elements (as defined below).

Without limiting the foregoing, the Common Elements shall include the following:

(i) The Land, including, without limitation, the portions of the Land on which the Building is erected, all yards, walks, paved areas, and all other improved and unimproved areas not within the Units together with all easements, rights and privileges appurtenant thereto;

(ii) All roofs, chimneys, concrete floors, foundations, columns, girders, beams, supports, joists, footings and subfloors;

(iii) Those portions of the exterior walls and insulation (if any) beyond the exposed interior face of the exterior walls, and those portions of the walls and partitions separating each Unit from the other Units, corridors, vestibules, lobbies and stairs located beyond the unexposed face of the drywalls enclosing such Unit;

(iv) Corridors, hallways, elevators (if any), lobbies, storage and utility rooms and areas, and the entrances to and exits from the Building;

(v) The "Facilities", which shall be defined as all central and appurtenant installations for utilities and other services which benefit the entire Building, including but not limited to: conduits for plumbing, electricity, gas, or other energy-producing fuels, water, sewage, drainage, waste piping, trash compaction and removal; equipment or facilities for telephone, telegraph and television (whether broadcast, cable or satellite-receptive); central air-conditioning, heat and ventilation, if any; and all pipes, wires, vents, conduits, flues, ducts, elevators (if any), cables, machinery, equipment, apparatus, systems, mechanisms, devices, motors, pumps, controls, generators, valves, outlets, risers, switches, fixtures, meters and other things used in connection with any of the foregoing, whether located in common areas or in a Unit;

(vi) All boiler, meter, utility, steam, storage or staff rooms, (including all steam and other equipment that may be located therein), flues, and meters located therein or servicing same;

(vii) Lighting fixtures illuminating the exterior portions of the Land or Building;

(viii) Entrance courtyard gate and fences surrounding the Property;

(ix) All other apparatus and installations existing in the Building for common use or necessary, convenient and appropriate to the existence, maintenance or safety of the Building or the Units.

The "Limited Common Elements" of the Condominium are defined as those portions of the Building that are to be used by the Unit Owners of one or more specified Units to the exclusion of all other Unit Owners. The fenced area of the roof immediately above, and with the same horizontal dimensions as, Unit 5B shall be deemed a Limited Common Element appurtenant to that Unit.

6. Use of Building and Units. It is contemplated that the Units shall be used for residential purposes. Notwithstanding the foregoing: (i) the Declarant or its designee expressly reserves the right to maintain a general or sales office in any Unit owned by it and to use such Unit as a model or for other promotional purposes, and (ii) each Unit may be used for any lawful purpose permitted by applicable law, and the Certificate of Occupancy of the Building. The Building shall be used solely for the purposes for which the Units may be used.

7. Person to Receive Service. For so long as the Declarant shall own any Unit, process in any action brought against the Condominium shall be served upon it by service upon the Declarant at c/o Z & R Management Corp., 1623 Third Avenue, New York, New York 10128, or at such other address as the Declarant shall maintain. In the event that the Declarant shall cease to own any Unit, process in any action brought against the Condominium shall be served on the Condominium in the manner prescribed by applicable law.

8. Amendment of Declaration.

(a) This Declaration may be amended with the approval of not less than SEVENTY FIVE PERCENT (75%) in number and in aggregate Common Interest of all Unit Owners cast in person or by valid proxy at a meeting duly held in accordance with the provisions of the By-Laws of the Condominium or, in lieu of such meeting, any amendment may be approved in a writing signed by not less than SEVENTY FIVE PERCENT (75%) in number and in aggregate Common Interest of all Unit Owners. However, the Common Interest appurtenant to each Unit as set forth on Schedule B to this Declaration shall not be changed in any way without the prior written consent of all Unit Owners affected thereby.

(b) The Declarant or its designee shall have the express right, without vote or consent of Unit Owners, the Board of Managers, or the holders of mortgages against Units, if any, to execute or to cause to be executed, and to record as required by law, an amendment or amendments to this Declaration, together with such other plans, maps and other documents and instruments necessary to effect such recordation, to reflect any changes in Units and the reapportionment of Common Interests resulting therefrom, made by the Declarant or its designee in accordance with Paragraph 15 hereof, including, without limitation, the final location, dimensions or size of any Unit.

(c) The provisions of this Paragraph 8 may not: be altered, amended or deleted in any manner, in whole or in part, without the prior written consent of the Declarant or its designee, as long as the Declarant or its designee shall own any Unit.

9. Determination of Percentage Interests in Common Elements. The respective percentage interest of each Unit in the Common Elements of the Condominium (the Unit's "Common Interest") has been determined on the basis of such Unit's floor space as measured in square footage, taking into account, however, the location of such Unit within the Building, its overall layout and dimensions, the availability of Common Elements for exclusive or shared use by the Unit Owners, and additional similar factors of value and desirability relative to the other Unit.

10. Encroachments.

(a) In the event that any Common Element, or portion, component or element thereof, shall encroach upon any Unit, or if any Unit, or portion thereof, shall encroach upon any other Unit or upon any Common Element, due to the subsequent settling or shifting thereof, or due to repair, restoration or rehabilitation work performed or caused to be performed by the Condominium, a valid easement for such encroachment and the maintenance thereof shall be created and exist until the earlier to occur of: (i) the removal of such encroachment; (ii) the destruction or demolition of the Building; or (iii) the termination of the Condominium pursuant to the terms hereof.

(b) In the event that the Building, a Unit or any Common Element shall be partially or totally destroyed by fire, explosion or other casualty or act of God, or as a result of condemnation or eminent domain proceedings, and then rebuilt, any encroachment arising by virtue of such destruction and rebuilding shall be permitted to exist and a valid easement for such encroachment and the maintenance thereof shall be created and exist until the occurrence of the earliest to occur of the events delineated in subparagraph (a) hereof.

11. Easements.

(a) Each Unit Owner shall have an easement to use all pipes, wires, ducts, cables, conduits, public utility lines, Facilities, and other Common Elements located in any other Unit and serving or benefiting the Building or his/her Unit. Each Unit shall be subject to an easement in favor of every other Unit Owner to use the pipes, wires, ducts, cables, conduits, public utility lines, Facilities, and other Common Elements located in such Unit and serving or benefiting the Building or any other Unit. The Board of Managers shall have a right of access to every Unit and all Common Elements appurtenant thereto to inspect the same, remove violations therefrom, and to maintain, repair, service or replace the Common Elements located therein or elsewhere in the Building.

(b) Any utility company or public benefit corporation which shall provide utilities or other services to the Property, or in favor of which there exists or shall exist a public utility easement, and the employees and agents of such entity, shall have the right of reasonable access to the Property, the

Building, the Common Elements and every Unit, in furtherance of any easement accorded hereunder, provided that such access shall not unduly interfere with the permitted use of the Property, the Building, the Common Elements or any Unit affected thereby.

12. Power of Attorney. As a condition of acquiring title to a Unit, the prospective owner thereof shall grant to the Board of Managers an irrevocable power of attorney, coupled with an interest, to, inter alia, acquire title to or to lease any Unit, the owner whereof desires to surrender, sell or lease such Unit, or which may be the subject of a foreclosure proceeding or other judicial sale, in the name of such Board of Managers or its designee, or is acquired or leased pursuant to a right of first refusal, on behalf of all Unit Owners, and subsequently to hold, convey, sell, assign, lease, mortgage or otherwise deal with any Unit so acquired or to sublease any Unit so leased by the Board of Managers.

13. Acquisition of Units by Board of Managers. In the event that any Unit Owner shall surrender his Unit, together with: (i) the undivided Common Interest appurtenant thereto; and (ii) the interest of such Unit Owner in any other assets of the Condominium (hereinafter collectively referred to as the "Appurtenant Interests"), pursuant to section 339-x of the Act; or in the event that the Board of Managers shall purchase from any Unit Owner who has elected to sell such Unit, such Unit together with the Appurtenant Interests pursuant to the By-Laws; or in the event that the Board of Managers shall purchase at a foreclosure or other judicial sale, a Unit, together with the Appurtenant Interests, then and in such events title to such Unit, together with its Appurtenant Interests, shall be held by the Board of Managers, or its designee, on behalf of all Unit Owners, in proportion to their respective Common Interests. The lease to any Unit leased by the Board of Managers, or its designee, shall be held by the Board of Managers, or its designee, on behalf of all Unit Owners, in proportion to their respective Common Interests.

14. Units Subject to Declaration, By-Laws and Rules and Regulations. This Declaration, and the By-Laws and Rules and Regulations of the Condominium, as such documents may be amended from time to time, shall bind all present and future Unit Owners, tenants, subtenants and occupants of the Units. The acceptance of a deed or conveyance for, the execution of a lease, sublease or occupancy agreement related to, or the

commencement of occupancy in, a Unit shall constitute acceptance of this Declaration and the By-Laws and the Rules and Regulations, as such documents may be amended from time to time, and all such provisions shall be deemed to be covenants running with the Land and shall bind any person at any time having any interest or estate in such Unit, as if such provisions were incorporated in every deed, conveyance, lease, sublease or agreement therefor.

15. Units Owned by Declarant. The Declarant or its designee with regard to any Unit owned by the Declarant or its designee shall have the right, unless prohibited by the Act, without the vote or consent of the Board of Managers, the other Unit Owners, or the holders of mortgages on other Units, to: (i) make alterations or improvements in, to and upon any such Unit; (ii) change the layout or number of rooms in such any such Unit; (iii) change the size or number of any contiguous Units owned by the Declarant or its designee, if any, by subdividing or combining any such Units, and altering the boundary walls between any such Units or otherwise; and (iv) reapportion among any such affected Units their respective Common Interests to reflect their altered conditions, provided, however, that such alterations or changes shall be done in compliance with all applicable laws, ordinances, rules and regulations, and the Board of Managers and the Unit Owners shall be held harmless from any liability resulting therefrom. The Common Elements appurtenant to each Unit shall have a permanent nature and shall not be altered or changed without the prior consent of all Unit Owners affected thereby. Such alterations or changes, if made, shall be disclosed in an amendment to the Offering Plan, and contract vendees, if any, pursuant to Purchase Agreements entered into with the Sponsor or its designee adversely affected by such alterations or changes shall be afforded the right to rescind their Purchase Agreements and receive a refund of any deposits theretofore made. The provisions of this Paragraph may not be changed, altered, amended or deleted without the prior written consent of the Declarant or its designee.

16. Termination. The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawal from the provisions of the Act of the Property if authorized by the affirmative vote of Unit Owners owning not less than EIGHTY PERCENT (80%) in number and in aggregate Common Interest of all Units. In the event that withdrawal is so authorized, the

Property shall be subject to an action in partition by any Unit Owner or any holder of a recorded lien against any Unit as if that portion of the Property were owned in common, in which event: the net proceeds, if any, of any sale shall be divided between the Unit Owners in accordance with their respective Common Interests, provided, however, that no payment shall be made to any Unit Owner until there has first been paid out of its share of such net proceeds the amount of any liens against its Unit, in the order of priority of filing of such liens, and such liens shall have been satisfied.

17. Invalidity. The invalidity of any provision of this Declaration shall not be deemed to impair or affect the validity, enforceability or effect of the remaining provisions of this Declaration and, in such event, the invalid provision shall be deemed severed from this Declaration and of no force and effect, and the remaining provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein. In the event that any provision necessary to cause this Declaration to be sufficient to submit the Property to the provisions of the Act is missing from this Declaration, then such provision shall be deemed to be included herein as if fully set forth herein, for the purpose of submitting the Property to the provisions of the Act.

18. 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 have occurred.

19. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way limit or restrict the scope of this Declaration or the intent of any provision hereof.

20. Gender. The use of the masculine gender throughout this Declaration shall be deemed to refer to the feminine gender, and the use of the singular shall be deemed to refer to the plural, and vice-versa, whenever the context shall so require.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed this ___ day of _____, 2006.

452 WEST COMPANY
Declarant

By: _____

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On this _____ day of _____, 2006 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 person(s) whose name(s) is/are subscribed to in the within instrument, and acknowledged to me that he/she they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A-DESCRIPTION OF LAND

BEGINNING at a point on the Southerly side of West 19th Street distant 100 feet Easterly from the corner formed by the intersection of the Easterly side of Tenth Avenue and the Southerly side of West 19th Street;

RUNNING THENCE Southerly and parallel with the Easterly side of Tenth Avenue 92 feet to the center line of the block;

THENCE Easterly parallel with the Southerly side of West 19th Street and along the center line of the block 50 feet;

THENCE Northerly and parallel with the Easterly side of Tenth Avenue 92 feet to the Southerly side of West 19th Street;

THENCE Westerly along the Southerly side of West 19th Street 50 feet to the point or place of BEGINNING.

SCHEDULE B--INFORMATION REGARDING UNITS

Unit	Tax Lot	Building Location	Approx. Sq. Ftge.	Common Interest	Common Elements Immediately Accessible

BY-LAWS OF
THE 452 WEST 19 CONDOMINIUM

ARTICLE I

PLAN OF UNIT OWNERSHIP

Section 1. Unit Ownership. The premises located at 452 West 19th Street in the Borough of Manhattan, County, City and State of New York, has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded simultaneously herewith in the Office of the Register of the City of New York, County of New York. The following terms shall, for the purposes of these By-Laws, have the definitions ascribed to them in the Declaration: "Building", "Land", "Property", "Unit", "Unit Owners", "Common Elements", "Common Interests", and "Declarant" (sometimes referred to herein as "Sponsor").

Section 2. Applicability. The provisions of these By-Laws shall be applicable to the Condominium, the Units therein and the Unit Owners thereof, and to the respective use and occupancy thereof. These By-Laws, the Rules and Regulations (attached hereto as Schedule A and made a part hereof), and the Declaration, as each may be amended from time to time, shall bind and govern all present and future Unit Owners, mortgagees, tenants, subtenants and occupants of Units, and their employees, agents and servants, and any other person who may use the facilities of the Property, Land, Building or Condominium in any manner. The acceptance of a deed or other conveyance of a Unit, or the entering into of a lease, sublease or occupancy agreement relative to a Unit, or the commencement of occupancy of a Unit, shall constitute a binding acceptance by such grantee, tenant, subtenant or occupant of the provisions of these By-Laws, the Rules and Regulations, and the Declaration.

Section 3. Office. The offices of the Condominium and the Board of Managers thereof shall be located at the Property, or at such other place as shall be specified.

ARTICLE II

BOARD OF MANAGERS

Section 1. Number and Term. The affairs of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three persons designated by the Sponsor who shall hold office and exercise all powers and duties of the Board of Managers specified herein until the first meeting of Unit Owners called to elect managers. The Managers on the first Board of Managers need not be Unit Owners; however, on all subsequent Boards, all Managers (except for Managers designated or appointed by the Sponsor) shall be Unit Owners, the spouses or domestic partners of joint-name Unit Owners, or the principals (or their designees) of business-entity Unit Owners. The number of Managers to be elected commencing with the first meeting of Unit Owners shall be five (5), three of whom shall be designated by the Sponsor and two of whom shall be elected by Unit Owners, and shall not be affiliated with the Sponsor.

Upon the earlier to occur of: (i) the second anniversary of the first Unit closing, or (ii) the closing of title to Units having an aggregate Common Interest exceeding FIFTY PERCENT (50%), the then-existing Board of Managers shall resign and a new Board of Managers shall be elected so that two Managers shall be designated by the Sponsor and three Managers shall be elected by the Unit Owners, and shall not be affiliated with the Sponsor. At all elections of Managers held following the closing of title to Units having an aggregate Common Interest exceeding SEVENTY FIVE PERCENT (75%), not more than one Manager shall be designated by the Sponsor and not less than four Managers shall be elected by Unit Owners, and shall not be affiliated with the Sponsor. As long as the Sponsor shall retain title to at least one Unit, the Sponsor shall be entitled to designate one Manager. However, as set forth more fully below, in addition to the foregoing rights to designate Managers, the Sponsor and its designee shall always have the additional right to vote the Common Interests appurtenant to Units owned by them.

Section 2. Powers and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

(a) operation, care, upkeep and maintenance of the Condominium, the Common Elements and any Limited Common Elements.

(b) determination of the Common Charges and Common Expenses required for the operation and maintenance of the Condominium.

(c) collection from the Unit Owners of the Common Charges and Special Assessments of the Condominium.

(d) employment and dismissal of the personnel necessary for the maintenance and operation of the Condominium.

(e) adoption and amendment of the Rules and Regulations governing the operation and use of the Condominium.

(f) opening and maintaining bank accounts on behalf of the Condominium and designating the signatories required therefor.

(g) purchasing, leasing or otherwise acquiring in the name of the Board of Managers, or its designee, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their Unit Owners to the Board of Managers.

(h) purchasing of Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, on behalf of all Unit Owners.

(i) acquiring in the name of the Board of Managers, or its designee, on behalf of all Unit Owners, rights and interests in real and personal property for use in connection with the ownership and operation of the Condominium, as described in the Declaration and these By-Laws.

(j) selling, leasing, mortgaging, or otherwise dealing with Units acquired, and subleasing Units leased, by the Board of Managers or its designee, on behalf of all Unit Owners.

(k) organizing corporations to act on behalf, or as designees, of the Board of Managers.

(l) obtaining insurance for the Condominium or any component thereof, including the Units, pursuant to the provisions of Article V, Section 2 hereof.

(m) making repairs, additions and improvements to or alterations of the Property and making of repairs to and restoration of the Property in accordance with the other provisions of these By-Laws after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(n) borrowing money on behalf of the Condominium when required in connection with its operation, care, upkeep and maintenance, provided, however, that: (1) no borrowing in excess of $100,000 in the aggregate shall occur without the prior consent of a majority of Unit Owners, in number and in aggregate Common Interest, and (2) no lien to secure repayment of any sum borrowed may be created against any Unit or its Common Interest without the consent of the Unit Owner of such Unit. If any sum borrowed by the Board of Managers on behalf of the Condominium pursuant to the authority herein is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof equal to his Common Interest shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit owned by such Unit Owner.

(o) levying and collecting fines against Unit Owners for violations of the Rules and Regulations governing the operation and use of the Condominium.

(p) adjusting and settling claims under insurance policies obtained pursuant to Article V, Section 2 hereof and executing and delivering releases upon settlement of such claims on behalf of all Unit Owners.

(q) filing, prosecuting, negotiating and settling, on behalf of all Unit Owners, tax certiorari petitions and appeals

for the purpose of reducing the assessed valuations of, and/or the real estate taxes due with regard to, all Units.

(r) notwithstanding anything to the contrary in these By-Laws, as long as the Sponsor or any designee shall own a Unit, but in no event for a period in excess of two years from the closing of title to the first Unit, the Board of Managers may not, without the prior written consent of the Sponsor or its designee:

(1) make any addition, alteration or improvement to the Common Elements or to any Unit;

(2) assess any Common Charge for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund except that the Sponsor will consent to replacements to the Reserve Fund provided for in Schedule B of the Offering Plan for the Condominium;

(3) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient);

(4) amend the Declaration or these By-Laws so as to increase the number of Managers or in any other way adversely affect the Sponsor or its designee; or

(5) interfere with: the offer and sale or leasing of Units; operation of general or sales and leasing offices on the Property; or actions necessary for construction, renovation, repair or correction on the Property, as deemed necessary by the Sponsor.

The Sponsor or its designee shall have the right to withhold its consent to any of the foregoing actions, for any reason or for no reason. However, notwithstanding the provisions of this subsection, the Sponsor or its designee shall not withhold its consent to the making of capital repairs to the Common Elements or assessment of any Common Charge for expenses required in order to comply with law.

Section 3. Managing Agent. The Board of Managers may employ a Managing Agent (including an entity organized or controlled by the Sponsor or its designee) for the Condominium

at a compensation established by the Board of Managers to perform such duties and services as the Board of Managers shall authorize. The Board of Managers may delegate to such Managing Agent all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (b), (e), (g), (h), (i), (j), (k), (n) and (p) of Section 2 hereof.

Section 4. Removal. Any Manager, other than a Manager designated by the Sponsor or its designee, may be removed for cause by the affirmative vote of Unit Owners whose aggregate Common Interest exceeds FIFTY PERCENT (50%), and may be removed without cause by the affirmative vote of Unit Owners whose aggregate Common Interest exceeds SIXTY SEVEN PERCENT (67%), of the total Common Interest. A successor shall then be elected by the Unit Owners to fill the vacancy thus created. A Manager designated by the Sponsor or its designee may be removed only by the Sponsor or its designee, and the vacancy thus created shall be filled only by the Sponsor or its designee. No Manager not designated by the Sponsor or its designee shall continue to serve on the Board if he shall cease to be a Unit Owner, spouse or domestic partner of a joint-name Unit Owner, or principal (or his designee) of a business-entity Unit Owner.

Section 5. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a Manager by a vote of the Unit Owners shall be filled by a vote of a majority of the remaining Managers at a special meeting of the Board of Managers held for that purpose promptly after the occurrence of any such vacancy, even if the number of Managers present at such meeting may constitute less than a quorum, and each person so elected shall serve as a Manager until the next annual meeting of the Unit Owners, unless earlier removed. Notwithstanding the foregoing, vacancies of Managers designated by the Sponsor or its designee shall be filled only by the Sponsor or its designee.

Section 6. Organization meeting. The first meeting of the Board of Managers following each annual meeting of the Unit Owners shall be held immediately thereafter, at such time and place as shall be fixed by the Unit Owners. At the meeting at which the Board of Managers shall have been elected, no notice shall be necessary to the newly elected members of the Board of Managers in order legally to constitute such meeting, providing a majority of the whole Board of Managers shall be present.

Section 7. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by the Managers, but at least four such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each Manager, by mail, telegraph, telefax or telephone, at least three business days prior to the day specified for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Managers may be called by the President on three business days' notice to each Manager, given by mail, telegraph, telefax or telephone, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least two Managers.

Section 9. Waiver of Notice. Any Manager may at any time waive in writing notice of any meeting of the Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him/her of the time and place thereof. Any one or more Managers may participate in a meeting of the Board by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum. At all meetings of the Board of Managers, the presence in person of three of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the Managers present at a meeting at which a quorum is present shall constitute the decision of the Board. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. Any action required or permitted to be taken by the Board may be taken without a meeting if all members

of the Board consent in writing to the adoption of a resolution authorizing such action, and the writing or writings are filed with the minutes of the proceedings of the Board.

Section 11. Fidelity Bonds. If they deem it advisable, the Board of Managers shall obtain fidelity bonds in sufficient amounts for all officers and employees of the Condominium and of any Managing Agent handling or responsible for Condominium funds. The premiums on such bonds shall constitute a Common Expense.

Section 12. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 13. Liability of the Board of Managers. The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each member of the Board of Managers against all liability arising from their acts as, or by reason of the fact that such person was, a member of the Board of Managers. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board shall be limited to such proportion of the total liability thereunder as its Common Interest bears to the aggregate Common Interest of the Condominium. Every agreement made by the Board of Managers or by the Managing Agent on behalf of the Condominium shall be made with the understanding that the members of the Board of Managers, or the Managing Agent, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners) and that any liability of a Unit Owner thereunder shall be limited to such proportion of the total liability thereunder as its Common Interest bears to the aggregate Common Interest of the Condominium.

Section 14. Committees. The Board of Managers may by resolution create such committees as it shall deem appropriate and such committees shall have such powers and authority as the

Board of Managers shall vest therein. The President of the Condominium shall appoint the members of such committees, provided, however, that the Sponsor or its designee shall have the right to designate a member of any committee so created, for as long as the Sponsor or its designee shall have the right to designate a Manager.

ARTICLE III

UNIT OWNERS

Section 1. Annual Meetings. Not later than 30 days after the closing of title to Units having an aggregate common interest of FIFTY PERCENT (50%), but in no event later than the second anniversary of the first Unit closing, the Sponsor shall call a special meeting of the Unit Owners for the purpose of electing the Board of Managers of the Condominium. At such meeting, the members of the existing Board of Managers shall resign, and a new Board shall be elected by the Unit Owners and the Sponsor as set forth in Article II, Section 1. Thereafter, annual meetings shall be held in or about June of each succeeding year, at which meetings there shall be elected the Board of Managers further pursuant to Article II, Section 1. At such meetings, the Unit Owners may also transact such business of the Condominium as shall properly come before them.

Section 2. Place of Meetings. Meetings of Unit Owners shall be held at the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 3. Special Meetings. The President shall call a special meeting of the Unit Owners if so directed by resolution of the Board of Managers, or upon a petition signed and presented to the Secretary by Unit Owners owning not less than THIRTY FIVE PERCENT (35%) of the aggregate Common Interest of the Condominium. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners, at least ten but not more than forty

days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the Building or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, or for any other valid reason, the Unit Owner(s) present at such meeting, either in person or by proxy, may adjourn the meeting to such other time and date as shall be suitable.

Section 6. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

(a) Roll call.
(b) Proof of notice of meeting.
(c) Reading of minutes of preceding meeting.
(d) Reports of officers.
(e) Report of Board of Managers and Managing Agent.
(f) Reports of committees.
(g) Appointment of inspectors of election.
(h) Election of members of the Board of Managers (when so required).
(i) Unfinished business.
(j) New business.

Section 7. Title to Units. Title to Units may be taken in the name of an individual or in the names of two or more persons, as tenants in common or as joint tenants or as tenants by the entirety, or in the name of a corporation, partnership, limited liability company, or other business entity, or in the name of a fiduciary or a non-profit organization. The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this section. This provision shall not constitute consent to any activity not permitted under existing certificates of occupancy, zoning requirements or other applicable law or regulation.

Section 8. Voting. The aggregate votes of the Condominium shall be 1,000,000. The Unit Owner of each Unit (including the Sponsor or its designee, with regard to Units

owned by the Sponsor or its designee), or some person designated by such Unit Owner to act as proxy on its behalf and who need not be an Owner, shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the Unit Owner so designating. Any such Unit Owner may also be present at any such meeting of the Unit Owners. The Unit Owner of each Unit (including the Sponsor or its designee, with regard to Units owned by the Sponsor or its designee) shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit owned by it on all matters put to a vote at all meetings of Unit Owners, including when voting for the election of members of the Board of Managers. Nothing herein shall be construed so as to grant to any Unit Owner the right to cumulate its votes in favor of any one or more members to be elected at any election of Managers. If Units are owned by more than one person as joint tenants, tenants by the entirety or as tenants in common, or by a partnership, corporation, limited liability company or other entity, the persons, or the persons comprising the entity, owning said Unit shall agree among themselves and cast unified votes for such Unit. A fiduciary shall be the voting member with respect to any Unit in a fiduciary capacity. Any Unit owned by the Board of Managers or its designee shall not be entitled to vote.

Section 9. Majority of Unit Owners. As used in this Article, the term "majority of Unit Owners" (or words of similar import) shall mean those Unit Owners having greater than FIFTY PERCENT (50%) of the total authorized votes of all Unit Owners, present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of this Article.

Section 10. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning not less than FIFTY PERCENT (50%) in aggregate Common Interest shall constitute a quorum at all meetings of the Unit Owners.

Section 11. Majority Vote. The vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where, in the Declaration or these By-Laws or by law, a higher percentage vote is required.

Section 12. Action Without Meeting. Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, these By-Laws or applicable law consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the records of the Condominium.

ARTICLE IV

OFFICERS

Section 1. Designation. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may also appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be advisable. The President and Vice President, but no other officers, need be members of the Board of Managers.

Section 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers, and shall hold office at the pleasure of the Board of Managers or until their successors are elected.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his/her successor may be elected at any regular meeting, or special meeting called for that purpose, of the Board of Managers.

Section 4. President. The President shall be the chief executive officer of the Condominium, shall preside at all meetings of the Unit Owners and the Board of Managers, and shall have all general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint members of committees.

Section 5. Vice President. The Vice President shall take the place of the President and perform such duties whenever the President shall be absent or unable to act. If neither the

President nor the Vice President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him/her by the Board of Managers or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and the Board of Managers, shall have charge of such books and papers as the Board of Managers may direct; and shall, in general, perform all the duties incident to the office of the secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer. The Treasurer shall have the responsibility for Condominium funds and securities, shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for the preparation of all required financial data, for the deposit of all monies and other valuable effects in the name of the Board of Managers, in such depositories as may from time to time be designated by the Board of Managers, and shall, in general, perform all duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer of the Condominium, or by such other person, as may be designated by the Board of Managers from time to time.

Section 9. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

Section 10. Liability of Officers. The officers of the Condominium shall have the same rights and liabilities as the members of the Board of Managers under Article II, Section 13 hereof.

ARTICLE V

OPERATION OF THE CONDOMINIUM

Section 1. Determination of Common Expenses and Fixing of Common Charges. The Board of Managers shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium, and allocate and assess such Common Charges and Expenses among the Unit Owners according to their respective Common Interests. The Common Expenses shall include all costs necessary to maintain the Property, including but not limited to the salaries and fringe benefits for employees of the Condominium, the cost of common sewer charges, supplies, and insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Section 2 hereof. The Common Expenses shall also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for a Reserve Fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers, or its designee, on behalf of all Unit Owners, of any Unit whose Unit Owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale, together with such amounts as may be necessary to maintain such Units adequately. The Board of Managers shall also, where necessary, impose assessments or additional Common Charges in order to meet any unanticipated Common Expense. The Board of Managers shall advise the Unit Owners promptly in writing of the amount of Common Charges and Common Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges and Expenses are based to the Unit Owners (and any mortgagee, if required).

The Sponsor or its designee shall be responsible for the Common Charges assessed against any Unit owned by it, from the date of the closing of the conveyance of title to any Unit, until the closing of the conveyance of title to such Unit to any person or entity other than the Sponsor or its designee.

Section 2. Insurance. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance, subject to the prior written consent of the Mortgage Representative:

(1) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Property (including all of the Units, Common Elements, and the fixtures and facilities appurtenant thereto, but excluding furniture, furnishings, and other personal property supplied or installed by Unit Owners), together with all service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interests may appear, in an amount to be determined by the Board of Managers but in no event to be less than 80% of the full replacement cost of the Building, as approved by a fire insurance company or qualified insurance broker; each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each mortgagee of a Unit, subject, however, to the loss payment provisions in favor of the Board of Managers and any Insurance Trustee, as herein provided;

(2) workers' compensation insurance, if the Condominium shall have employees;

(3) if deemed advisable, a fidelity bond or bonds in sufficient amounts, to protect fully the interests of the Condominium, on the Managers and officers of the Condominium, and any Managing Agent, including any person handling or responsible for funds of the Condominium;

(4) disability benefits insurance if the Condominium shall have employees; and

(5) such other insurance as the Board of Managers may determine to be advisable.

All policies of physical damage insurance shall provide that adjustment of loss shall be made by the Board of Managers (with the approval of the Insurance Trustee, if any, if $100,000 or more), and that the total proceeds thereof, if $100,000 or less, shall be payable to the Board of Managers and

if more than $100,000 shall be payable to the Insurance Trustee, if any.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of invalidity arising from any acts of the insured or any Unit Owners, and the individual Unit Owners as well as the Condominium shall be primary insureds to the extent as their interests shall also appear. They shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including any mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten days prior to the expiration of the then current policies.

The Board of Managers shall, if deemed advisable, also obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the Managing Agent, and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another.

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 insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Such policies shall be so endorsed as to state that they will in no way conflict with any insurance carried by the Board of Managers.

Section 3. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty, if 75% or more of the Building is destroyed or substantially damaged and within sixty (60) days at least SEVENTY FIVE PERCENT (75%) in aggregate Common Interest of all Unit Owners duly resolve to proceed with repair or restoration, the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Units, but not including any wall, ceiling or floor

decorations or coverings or other furniture, furnishings, fixtures or equipment installed in the Units by Unit Owners or their predecessors), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies in appropriate progress payments for distribution to the contractors engaged in such repairs and restoration. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess the Unit Owners for such deficit as part of the Common Charges.

If 75% or more of the Building is destroyed or substantially damaged and at least SEVENTY FIVE PERCENT (75%) in aggregate Common Interest of all the Unit Owners do not within sixty (60) days resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among the Unit Owners in proportion to their respective Common Interests, after first payment out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in order of the priority of such liens.

In the event that the insurance proceeds are insufficient to cover the cost of repairs and restoration, the deficit will be shared by the Unit Owners in proportion to their respective Common Interests.

Whenever in this Section the words "promptly repair" are used it shall mean repairs are to begin not more than sixty (60) days from the date the Insurance Trustee notified the Board of Managers that it shall hold proceeds of insurance funds sufficient to pay the estimated costs of such work.

Section 4. Payment of Common Charges. The Unit Owners shall be obligated to pay the Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against its Unit subsequent to a sale, transfer or other conveyance by it (made in accordance with the provisions of Article VII hereof) of such Unit, together with the Appurtenant Interests, as defined in Article VII hereof. In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that its Unit is free and clear of liens and encumbrances other than permissible mortgages and the statutory lien for unpaid Common Charges, convey its Unit, together with the Appurtenant Interests, to the Board of Managers, or its designee, on behalf of all other Unit Owners, and in such event be exempt from Common Charges thereafter assessed. A purchaser of a Unit shall be liable for the payment of Common Charges assessed and unpaid against such Unit prior to the acquisition by it of such Unit, except that a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit shall not be liable for and such Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the initial date of the auction for such foreclosure sale.

Section 5. Collection of Common Charges. The Board of Managers shall assess Common Charges against the Unit Owners from time to time at least annually and shall take prompt action to collect any Common Charge due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof.

Section 6. Default in Payment of Common Charges. In the event of default by any Unit Owner in paying to the Board of Managers the Common Charges as determined by the Board of Managers, such Unit Owner shall be obligated to pay interest at the maximum legal rate on such Common Charges from the due date thereof, together with such late charges as the Board of Managers may impose from time to time, together with all expenses, including attorneys' fees, incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges. The Board of Managers shall have the right and duty to attempt to recover such Common Charges, together with interest and late charges thereon, and the expenses of the proceeding, including attorneys' fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. A Unit Owner in default in payment of Common

Charges shall not be permitted to vote at any regular or special meeting of Unit Owners.

Section 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit, and the Board of Managers shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage (but not to vote the votes appurtenant thereto), convey or otherwise deal with the same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same. In any such action brought by the Board of Managers to recover a money judgment for unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit, and the Board of Managers shall be entitled to the appointment of a receiver to collect the same.

Section 8. Statement of Common Charges. The Board of Managers, or the Managing Agent, shall promptly provide a Unit Owner so requesting the same in writing, with a written statement of all unpaid Common Charges due from such Unit.

Section 9. Maintenance and Repairs.

(a) All maintenance of and repairs to any Unit or any Limited Common Element appurtenant thereto, ordinary or extraordinary, and to the doors (except painting the exterior side of Unit entrance doors), windows (except painting the exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures (except Common Elements) and air conditioning units within the Unit or belonging to the Unit Owner shall be at the Unit Owner's expense, excepting to the extent that the same arise from the negligence, misuse or neglect of the Condominium, its agent, employee, contractor or invitee, in which case such expense shall be charged solely to the Board.

(b) All maintenance, repairs and replacements to the Common Elements, except with regard to any Limited Common Element, and all painting and decorating of the exterior side of Unit entrance doors and windows, shall be made by the Board of

Managers and shall be charged to all Unit Owners as a Common Expense, excepting to the extent that the same arise from the negligence, misuse or neglect of a Unit Owner, its tenant, guest, licensee, employee, invitee or relative, in which case such expense shall be charged solely to such Unit Owner.

Section 10. Restrictions on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the value of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) The Units shall be used for residential purposes, and any other lawful purpose permitted under applicable zoning laws, codes, ordinances and regulations, and the certificate of occupancy for the Building.

(b) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.

(c) No immoral, improper, offensive or unlawful use shall be made of a Unit, the Property or any part thereof, and all valid laws, zoning ordinances and applicable regulations shall be observed. Violations of laws, orders, rules or regulations relating to any portion of the Property shall be eliminated, by and at the sole expense of the Unit Owner, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

(d) No portion of a Unit or Common Element appurtenant thereto (in contrast to the entire Unit including any Limited Common Elements appurtenant thereto pursuant to Article VII hereof) may be leased, and no transient may be accommodated therein.

Section 11. Additions, Alterations or Improvements by Board of Managers. Whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements (but not ordinary maintenance) costing in excess of $100,000 in any calendar year, and the making of such additions, alterations or improvements shall have been approved by a majority of the Unit Owners, the Board of Managers shall proceed with such additions, alterations or

improvements and shall assess the Unit Owners for the cost thereof as a Common Charge. Any additions, alterations or improvements to the Common Elements costing $100,000 or less in any calendar year may be made by the Board of Managers without the approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses.

Section 12. Additions, Alterations or Improvements by Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to its Unit without the prior written consent thereto of the Board of Managers, which consent will not be unreasonably withheld. No Unit Owner shall make any addition, alteration or improvement in or to any Limited Common Element without the prior written consent thereto of the Board of Managers.

In the event the Board of Managers grants its consent to any structural addition, alteration or improvement to be made by a Unit Owner, the consent shall provide that any such work shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or administrative laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage, and workers' compensation insurances (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration, addition or improvement, or due to improper design or construction of the structural alteration, addition or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration, addition or improvement; such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with any request by a Unit Owner for approval of such work.

The provisions of this Section, which require the consent of the Board of Managers in connection with a structural addition, alteration or improvement, shall not apply to any Unit owned by the Sponsor or its designee, or to any Unit owned by a mortgagee, or to any Unit owned by the Board of Managers.

Section 13. Use of Common Elements and Facilities. A Unit Owner shall not place or cause to be placed in the lobby, public halls, stairways or other Common Elements, common areas or common facilities, any furniture, packages or objects of any kind. The public halls and stairways shall be used for no purpose other than normal transit through them.

Section 14. Right of Access. A Unit Owner shall grant a right of access to its Unit, to the Board of Managers, the Managing Agent and any other person authorized by the Board of Managers or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in the Unit and threatening another Unit or a Common Element, or for the purpose of curing any violation of the provisions of these By-Laws, the Rules and Regulations promulgated hereunder, or the Declaration, or for the purpose of performing installations, alterations or repairs to the mechanical or other Common Elements in the Unit or elsewhere in the Building, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. In the event of the exercise of the right of access provided in this Section, any costs for repairs shall be borne in accordance with the provisions of Section 9 of this Article.

Section 15. Rules of Conduct. Rules and Regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Managers. Copies of such Rules and Regulations shall be furnished by the Board of Managers to each Unit Owner prior to the time when the same shall become effective. Initial Rules and Regulations, which shall be effective until amended by the Board of Managers, are annexed hereto as Schedule A and made a part hereof.

Section 16. Water Charges and Sewer Rents. Water shall be supplied to all Units and the Common Elements through one or more building meters, and the Board of Managers shall

pay, as a Common Expense, all charges for water consumed on the Property and in the Units, together with all sewer rents for the Property, promptly after the bills for the same shall have been rendered. In the event of a proposed sale of a Unit by the Owner thereof, the Board of Managers on request of the selling Unit Owner shall execute and deliver to the purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Property as of the date of closing of title to such Unit promptly after such charges shall have been billed.

Section 17. Electricity. Electricity shall be supplied by the public utility company serving the area directly to each Unit through a separate meter, and each Unit Owner shall be required to pay the bills for electricity consumed in his Unit. The electricity serving the Common Elements shall be separately metered, and the Board of Managers shall pay all bills for electricity consumed in such portions of the Common Elements, as a Common Expense.

ARTICLE VI

MORTGAGES

Section 1. Notice to Board of Managers. A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of its mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers; the Board of Managers shall maintain such information in a book entitled "Mortgages of Units." The failure by a Unit Owner to so notify, or to file with, the Board of Managers shall not affect the validity or lien of any such mortgage.

Section 2. Notice of Unpaid Common Charges. The Board of Managers shall promptly notify any such mortgagee that has requested same of such Unit Owner's default, including non-payment of Common Charges, in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default. The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each first mortgagee of record of such Unit that shall have

requested same. In the event that such notice of default sets forth a date by which any such noticed default shall be required to be cured, such first mortgagee shall have the right to cure such default within such period, but in no event less than thirty (30) days from the date of such notice.

Section 4. Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times.

ARTICLE VII

SALES, LEASES AND MORTGAGES OF UNITS

Section 1. Sales and Leases. A Unit Owner who receives a bona fide offer for the sale of its Unit together with (i) the undivided interest of the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; (iii) the interest of such Unit Owner in any other assets of the Condominium, as defined in the Declaration, (hereinafter collectively called the "Appurtenant Interests"), or a bona fide offer for a lease of its Unit, (such offer of sale or lease hereinafter called an "Outside Offer"), which it intends to accept, shall give written notice, sent by certified mail, return receipt requested, to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction, and such other information as the Board of Managers may reasonably require, and shall offer to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the Board of Managers or its designee, on behalf of the Unit Owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer, to the Board of Managers on behalf of all other Unit Owners, that such offering Unit Owner believes the Outside Offer to be bona fide in all respects. Within twenty (20) days after receipt of such notice from the offering Unit Owner, together with such other and further information as the Board of Managers may reasonably require, the Board of Managers, on behalf of all other Unit Owners, may elect, by written notice sent to such

offering Unit Owner by certified mail, return receipt requested within five (5) days after the expiration of such twenty (20) day period, to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, (or to cause the same to be purchased or leased, as the case may be, by its designee) on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner.

In the event that the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, either in the name of the Board of Managers on behalf of all other Unit Owners, or in the name of a designee, title shall close or a lease shall be executed in accordance with the terms of such offer but in no event less than forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the offering Unit Owner, if such Unit together with the Appurtenant Interests is to be sold, shall convey the same to the Board of Managers on behalf of all other Unit Owners, or its designee, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all documentary stamps affixed, and shall pay all other transfer taxes arising out of such sale. In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Board of Managers on behalf of all other Unit Owners, or to its designee, a lease between the offering Unit Owner, as landlord, and the Board of Managers or its designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

In the event that the Board of Managers shall decline, or shall fail to notify the offering Unit Owner of its decision to accept, such offer within the time periods set forth above, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, within a further thirty (30) days after the expiration of the periods set forth above to the Outside Offeror, on the terms and conditions set forth in the notice from the offering Unit Owner to the Board of Managers of such Outside Offer. Any such deed to any Outside Offeror shall provide that acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as may be amended from time to time. Any such lease shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or

assigned, without the prior written consent of the Board of Managers, and that the tenant shall not sublet the demised premises, or any part thereof, without the prior written consent of the Board of Managers, and that the Board of Managers shall have the power to terminate such lease and 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. Except as hereinbefore set forth, the form of any such lease shall be the then current form of Condominium Unit lease promulgated by the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Board of Managers. In the event that the offering Unit Owner shall not, within such additional thirty (30) day period, contract to sell such Unit together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the Outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell or lease its Unit within such thirty (30) day period, but such sale or lease shall not be consummated pursuant to the terms of such contract, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the same or another Outside Offeror on the same or other terms and conditions, the offering Unit Owner shall be required again to comply with the terms and provisions of this Section.

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

Section 2. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to its Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such Interests, without including all such Interests, shall be deemed and taken to include the Interest or Interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such Interest or Interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 3. Release of Right of First Refusal. The right of first refusal contained in Section 1 of this Article may be released or waived by the Board of Managers on behalf of all Unit Owners in which event the Unit, together with the Appurtenant Interests, may be sold, conveyed, or leased, free and clear of the provisions of such Section.

Section 4. Certificate of Termination of Right of First Refusal. A certificate, executed and acknowledged by or on behalf of the Board of Managers, stating that the provisions of Section 1 of this Article have been met by the offering Unit Owner, or have been duly waived by the Board of Managers on behalf of all other Unit Owners, and that the rights of the Board of Managers thereunder have terminated, shall be conclusive in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to a Unit Owner who has complied with the provisions of Section 1 of this Article or in respect to whom the provisions of such Section have been waived.

Section 5. Waiver of Right of Partition. In the event that a Unit shall be acquired by the Board of Managers on behalf of all other Unit Owners, or its designee, the Board of Managers or such designee shall be deemed to have waived all rights of partition with respect to such Unit.

Section 6. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease its Unit unless and until it shall have paid in full to the Board of Managers all unpaid Common Charges and other amounts theretofore assessed by the Board of Managers against such Unit and until it shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 7. Exceptions. The provisions of Section 1 of this Article shall not apply with respect to: (i) any Unit owned by the Sponsor or its designee, (ii) any sale, conveyance or lease of a Unit without consideration to the spouse, resident domestic partner, children or parents of an individual Unit Owner, or without consideration to an Affiliate of any non-individual Unit Owner, or (iii) the acquisition or sale of any Unit, together with the Appurtenant Interests, by a first mortgagee of record (or its designee) which shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure.

However, the provisions of this Section shall apply with respect to any purchaser of such Unit from such mortgagee.

Section 8. Gifts and Devises. Any Unit Owner shall be free to convey or transfer his Unit by gift (i.e., without consideration), or to devise his Unit by will, or to pass the same by intestacy, without restriction.

ARTICLE VIII

CONDEMNATION

Section 1. Condemnation. In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers. The Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds pursuant to Section 3 of Article V hereof.

ARTICLE IX

RECORDS

Section 1. Records and Audits. The Board of Managers, or the Managing Agent, shall keep detailed records of the actions of the Board of Managers and the Managing Agent, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including 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. In addition, an annual report of the receipts and expenditures of the Condominium, certified by an independent public accountant, shall be rendered by the Board of Managers to all Unit Owners, and to each holder of a mortgage thereon requesting same.

ARTICLE X

NOTICES

Section 1. Definition. Any notice required to be given hereunder or under the provisions of the Declaration shall be in writing, personally delivered to the recipient thereof, or sent certified mail, return receipt requested, to the recipient at the Condominium or at such other address as shall have been theretofore furnished by the recipient; a copy of any notice of default shall also be sent by certified mail to a first mortgagee of record for such Unit, which shall have the right to cause such default to be cured within the applicable time period, but in no event less than thirty (30) days from the date of such notice. Unless otherwise stated, notice shall be deemed to be effective upon receipt, if personally delivered, or on the fourth business day following mailing, if mailed.

Section 2. Waiver of Notice. Whenever any notice is required to be given hereunder or under the provisions of the Declaration, a written waiver thereof, signed by the person(s) entitled to receive such notice, whether before or after the time stated therein, shall be deemed a waiver thereof.

ARTICLE XI

MISCELLANEOUS

Section 1. Invalidity. The invalidity of any provision of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 2. Captions. The captions herein are inserted only as a matter of convenience for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 3. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the neuter, and the use of the singular shall be deemed to include the plural, and vice-versa, whenever the context shall so require.

Section 4. Waiver. No restriction, condition, obligation, or provision contained in these By-Laws 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 thereof which may occur.

Section 5. Insurance Trustee. The Insurance Trustee shall be such bank, trust company, or savings and loan association in the State of New York, as may be designated by the Board of Managers. The Board of Managers shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense of the Condominium.

Section 6. Definition of "Mortgagee". As used in these By-Laws, the term "mortgagee" or "holder of first mortgage" shall mean a first mortgagee of record against a Unit.

Section 7. Definition of "Mortgage Representative". The Mortgage Representative, if any, shall be a first mortgagee of record with regard to a Unit, that may be elected or designated by all first mortgagees of record against with regard to the Units. Whenever the approval of all first mortgagees of record is required under these By-laws or the Declaration, the decision of the Mortgage Representative shall be binding upon all first mortgagees of record.

Section 8. Non-Default. Neither the Condominium nor the Board of Managers shall take any action, or fail to take any action, which taking or failure, as the case may be, shall constitute an event of default under a first mortgage of record against any Unit.

ARTICLE XII

AMENDMENTS TO THE BY-LAWS

Section 1. Amendment to By-Laws. Amendments to these By-Laws shall be effective only if approved by the vote of not less than SEVENTY FIVE PERCENT (75%) in number and in aggregate Common Interest of all Unit Owners cast in person or by valid proxy at a meeting duly held in accordance with the provisions hereof or, in lieu of such meeting, any amendment may be approved in a writing signed by not less than SEVENTY FIVE

PERCENT (75%) in number and in aggregate Common Interest of all Unit Owners.

For so long as the Sponsor or its designee shall own a Unit, these By-Laws may not be amended in a manner which would adversely affect the interests of the Sponsor or its designee without the written consent of the Sponsor or its designee.

ARTICLE XIII

CONFLICTS

Section 1. Conflicts. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or with the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

SCHEDULE A

RULES AND REGULATIONS OF

THE 452 WEST 19 CONDOMINIUM

1) No "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising shall be maintained or permitted on any part of the Property or in any Unit therein, nor shall any Unit be used or rented for transient, hotel or motel purposes. This Rule shall not apply to any Unit owned by the Sponsor or its designee.

2) No exterior windows or doors of any Unit or any portions of the Common Elements shall be painted or decorated by any Unit Owner or in any manner without prior written consent of the Board of Managers.

3) No furniture, equipment, or other personal articles shall be placed in entrances, stairways, or other Common Elements.

4) No Unit Owner shall make or permit any noise or objectionable odor that will disturb or annoy the other occupants of the Building or do or permit anything to be done therein which will interfere with the rights, comfort, or convenience of other Unit Owners.

5) Each Unit Owner shall keep its Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substances.

6) No exterior shades, awnings, window guards, ventilators, fans or air-conditioning devices shall be used on or about the Building or Common Elements without the prior consent of the Board of Managers. This Rule shall not apply to any Unit owned by the Sponsor or its designee.

7) No sign, item or other thing shall be projected out of any window of the Building without the prior consent of the Board of Managers.

8) All garbage and refuse from the Building shall be deposited with care in plastic bags or other suitable receptacles, in accordance with all applicable recycling laws and requirements, intended for such purpose only at such times and in such manner as the Board of Managers may direct. Any fine, penalty or expense incurred by, or imposed on, the Board of Managers arising from the non-compliance with any recycling law shall be paid by the Unit Owner whose actions gave rise thereto.

9) Water closets and other water apparatus in the Building shall not be used for any purposes other than those for which they were constructed; nor shall any sweepings, rubbish, rags, paper, ashes, or any other article be thrown into the same. Any damages resulting from misuse of any water closet or other apparatus shall be paid for by the Unit Owner causing such damage.

10) No Unit Owner shall engage any employee of the Condominium for any private business of the Unit Owner without the prior written consent of the Board of Managers.

11) No bird or animal shall be kept or harbored in the Building if the same shall constitute a nuisance, or shall unreasonably disturb other residents of the Building.

12) No radio or television aerial, satellite dish, or other signal-receptive device shall be attached to or hung from the exterior of the Building without the written consent of the Board of Managers. The Board of Managers, upon the request of any Unit Owner, shall allow the installation of any hook-up necessary to provide cable television service to the Units.

13) The agents of the Board of Managers, and any contractor or workman authorized by them, may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration, By-Laws, or these Rules and Regulations.

14) The Board of Managers may retain a passkey to each Unit. No Unit Owner shall alter any lock on any door leading into a Unit without the prior consent of the Board of Managers. If such consent is given, the Unit Owner shall provide the Board of Managers with a key for their use.

15) No Unit Owner, and no visitor, guest, patient, employee or any client of a Unit Owner, shall be allowed in any common area without the express permission of the Board of Managers.

16) All damage to the Building or Common Elements caused by the moving or carrying of any article therein shall be paid for by the Unit Owner responsible for the presence of such article.

17) No Unit Owner shall interfere in any manner with any portion of the heating or lighting apparatus which are part of the Common Elements and not part of the Unit Owner's Unit.

18) No Unit Owner shall use or permit to be brought into the Building any flammable oils or fluids such as gasoline, kerosene, naphtha, benzene, or other explosives or articles deemed hazardous to life, limb, or property (except for such oils and fluids as may be used for common household purposes) without in each case obtaining the written consent of the Board of Managers.

19) Any damage to the Building or Common Elements caused by a Unit Owner, its guests, visitors, clients, patients or employees shall be repaired at the expense of such Unit Owner.

20) No Unit shall be used or occupied in such a manner as to obstruct or interfere with the enjoyment of occupants or owners of adjoining Units; nor shall any immoral or illegal activity be committed or permitted to occur in or about any Unit or upon any part of the Common Elements.

21) No part of the Common Elements shall be obstructed so as to interfere with its use for the purposes hereinabove recited; nor shall any part of the Common Elements be used for storage purposes by a Unit Owner; nor shall anything be done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon.

22) These Rules and Regulations may be amended or revoked at any time by the Board of Managers, pursuant to the By-Laws.

* S 352-eeee. Conversions to cooperative or condominium ownership in the city of New York. 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 or 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 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.

(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 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, 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 condominimum 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 or 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 is 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 contract 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 (vii) 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.

CHAPTER 8

COOPERATIVE AND CONDOMINIUM CONVERSIONS

§ 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 per cent of the total price or, (ii) (A) three per cent 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 per cent of the total price, then the fund shall be established as a minimum of one per cent of the total price; plus (B) supplemental contributions to be made by the offeror at a rate of three per cent 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 per cent 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 per cent of the total price the offeror shall pay the difference between the amount contributed and three per cent 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 per cent 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 assists 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.

CERTIFICATION BY SPONSOR AND PRINCIPALS

THE 452 WEST 19TH STREET CONDOMINIUM
452 WEST 19TH STREET, NEW YORK, NEW YORK

We are the Sponsor and the principals of Sponsor of the condominium offering plan for the captioned property.

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 I/we:

(1) knew the truth;
(2) with reasonable effort could have known the

truth;

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

(4) 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.

452 WEST COMPANY

By: _____
HERBERT ZWEIBON

_____
HERBERT ZWEIBON

_____
DONALD ZWEIBON

_____
MARK ZWEIBON

_____
ISAAC KAPLOWITZ

_____
MICHAEL KAPLOWITZ

_____
RICHARD KAPLOWITZ

_____
CARL RUDNICK

_____
ROSALIND GALINSON

_____
LISA GALINSON

_____
SUSAN ZAMANIAN

Sworn to before me this
1st day of December, 2004

_____
Notary Public

KATHLEEN M. LONG
Notary Public, State of New York
01LO6079821
Qualified in Bronx County
Commission Expires September 3, 2006

truth;

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

(4) 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.

452 WEST COMPANY

By: _____
HERBERT ZWEIBON

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HERBERT ZWEIBON

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DONALD ZWEIBON

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MARK ZWEIBON

_____
ISAAC KAPLOWITZ

_____
MICHAEL KAPLOWITZ

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RICHARD KAPLOWITZ

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CARL RUDNICK

_____
ROSALIND GALINSON

_____
LISA GALINSON

_____
SUSAN ZAMANIAN

Sworn to before me this
1st day of December, 2004

Notary Public

AS TO ISAAC KAPLOWITZ & RICHARD KAPLOWITZ

PAUL J. STEINBERG
Notary Public, State of New York
No. 01ST6047117
Qualified in Westchester County
Commission Expires Aug. 28, 2006

truth;

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

(4) 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.

452 WEST COMPANY

By: _____
HERBERT ZWEIBON

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HERBERT ZWEIBON

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DONALD ZWEIBON

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MARK ZWEIBON

_____
ISAAC KAPLOWITZ

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MICHAEL KAPLOWITZ

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RICHARD KAPLOWITZ

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CARL RUDNICK

_____
ROSALIND GALINSON

_____
LISA GALINSON

_____
SUSAN ZAMANIAN

Sworn to before me this
1 day of December, 2004

Notary Public

CHERYL M. LOWE
Notary Public, Clinton County, MI
Acting in Ingham County, Michigan
My Commission Expires August 30, 2007

truth;

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

(4) 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.

452 WEST COMPANY

By: _____
HERBERT ZWEIBON

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HERBERT ZWEIBON

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DONALD ZWEIBON

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MARK ZWEIBON

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ISAAC KAPLOWITZ

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MICHAEL KAPLOWITZ

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RICHARD KAPLOWITZ

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CARL RUDNICK

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ROSALIND GALINSON

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LISA GALINSON

_____
SUSAN ZAMANIAN

Sworn to before me this
13th day of December, 2004

_____
Notary Public

KATHLEEN MILONG
Notary Public, State of New York
01LO6079821
Qualified in Bronx County
Commission Expires September 3, 2006

truth;

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

(4) 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.

452 WEST COMPANY

By: _____
HERBERT ZWEIBON

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HERBERT ZWEIBON

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DONALD ZWEIBON

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MARK ZWEIBON

_____
ISAAC KAPLOWITZ

_____
MICHAEL KAPLOWITZ

_____
RICHARD KAPLOWITZ

_____
CARL RUDNICK

Rosalind Galinson
_____
ROSALIND GALINSON

_____
LISA GALINSON

_____
SUSAN ZAMANIAN

Sworn to before me this
1st day of December, 2004

Louise Crew.
Notary Public
for Rosalind Galinson

LOUISE CREW
Notary Public, State of NY
No. 4987844
Qualified in Nassau County
Commission expires Oct. 21, 2005

truth;

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

(4) 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.

452 WEST COMPANY

By: _____
HERBERT ZWEIBON

_____
HERBERT ZWEIBON

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DONALD ZWEIBON

_____
MARK ZWEIBON

_____
ISAAC KAPLOWITZ

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MICHAEL KAPLOWITZ

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RICHARD KAPLOWITZ

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CARL RUDNICK

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ROSALIND GALINSON

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LISA GALINSON

_____
SUSAN ZAMANIAN

Sworn to before me this
6 day of December, 2004

Jannette Santiago
Notary Public

JANNETTE SANTIAGO
Notary Public, State of New York
No. 01SA6056371
Qualified in New York County
Commission Expires March 19, 2007

truth;

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

(4) 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.

452 WEST COMPANY

By: _____
HERBERT ZWEIBON

_____
HERBERT ZWEIBON

_____
DONALD ZWEIBON

_____
MARK ZWEIBON

_____
ISAAC KAPLOWITZ

_____
MICHAEL KAPLOWITZ

_____
RICHARD KAPLOWITZ

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CARL RUDNICK

_____
ROSALIND GALINSON

_____
LISA GALINSON

/ Susan Zamanian
SUSAN ZAMANIAN

Sworn to before me this
20th day of December, 2004

Melanie L. Hughes
Notary Public

MELANIE L. HUGHES
NOTARY PUBLIC BALTIMORE COUNTY
MY COMMISSION EXPIRES MARCH 1, 2006

GEORGE SCHWARZ ARCHITECT
381 PARK AVENUE SOUTH, #815
NEW YORK, NEW YORK 10016
(212) 683-7192
Fax (212) 889-2778

CERTIFICATION OF SPONSOR'S ENGINEER OR ARCHITECT PURSUANT TO 13 NYCRR SECTION 23.4

Real Estate Financing Bureau
New York State Department of Law
120 Broadway
New York, New York 10279

Re: 452 West 19th Street, New York, N.Y.

The undersigned, an architect registered in New York State, hereby certifies as follows:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report disclosing the condition of the property (the "Report"). I/We visually inspected the property on various dates in January, 2005 (the last being January 28, 2005), and prepared the Report dated February 10, 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 the 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 discernible 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:

(1) sets forth in narrative form the physical condition of the entire property and is current and accurate as of the date of inspection;

(2) 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;

(3) does not omit any material fact;

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

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

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

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

(1) knew the truth;
(2) with reasonable effort could have known the truth;
(3) made no reasonable effort to ascertain the truth; or
(4) did not have knowledge concerning the representation or statement made.

(8) 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 conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

GEORGE SCHWARZ, R.A.

Sworn to before me this
20th day of September, 2005

Notary Public

FLETCHER C. EBERLE
Notary Public, State of New York
No. 01EB4778148
Qualified in Queens County
Commission Expires August 31, 2009

REGISTERED ARCHITECT
GEORGE SCHWARZ
No. 12075
STATE OF NEW YORK

THE 452 WEST 19 CONDOMINIUM

452 WEST 19TH STREET, NEW YORK, NEW YORK

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

The sponsor of the condominium offering plan for the captioned property retained me/our firm to review or prepare Schedule B containing projections of income and expenses for the first year of condominium operation. My/our experience in this field includes the management of more than 20 cooperatives, condominiums and rental properties in New York City for more than 20 years.

I/We understand that I/we am/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.

I/We have reviewed Schedule B and have 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. I/We also have relied on my/our experience in managing residential buildings.

I/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.

I/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 I/we:

(1) knew the truth;

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

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

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

I/We further certify that I am/we are not owned or controlled by the sponsor. I/We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

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

HARRY SALON

Sworn to before me this
6 day of January, 2005

Notary Public

MARISA VELEZ-GARCIA
Notary Public, State of New York
No. 03-5000461
Qualified in Bronx County
Commission Expires Aug. 8, 2006