THIS PLAN HAS BEEN AMENDED. SEE INSIDE COVER.

CONDOMINIUM OFFERING PLAN FOR

The Caledonia
450W17

THE WARMTH OF HOME.
THE COOL OF WEST CHELSEA.

450 WEST 17TH STREET
NEW YORK, NEW YORK 10011

TOTAL PURCHASE PRICE FOR 190 TOWER UNITS: $228,847,500

The Condominium will have One Hundred Ninety (190) Tower Units which are being offered for sale hereunder and five (5) Base Units consisting of one (1) Rental Unit, consisting of two hundred eighty-eight (288) Rental Apartments, one (1) Retail Unit, one (1) Fitness Facility Unit and two (2) Garage Units. The Base Units are not being offered for sale at this time.

SPONSOR

450 WEST 17TH ASSOCIATES LLC
60 COLUMBUS CIRCLE
NEW YORK, NEW YORK 10023
(212) 633-1717

SELLING AGENT

RELATED RESIDENTIAL SALES, LLC
60 COLUMBUS CIRCLE
NEW YORK, NEW YORK 10023
(212) 633-1717

The term of the initial offering of this Plan commenced on August 10, 2006 and expires on August 9, 2007 unless the said date is extended in a duly filed amendment.

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

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

SEE PAGE v FOR SPECIAL RISKS TO PURCHASERS.

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PART I

SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

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

1. At the time an Agreement is executed, a Purchaser is required to make a Deposit in an amount equal to at least ten (10%) percent of the purchase price (the "Initial Deposit") with an additional ten percent (10%) of the purchase price (the "Additional Deposit") due and payable no later than the earlier to occur of: (i) twelve (12) months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection. The Initial Deposit and the Additional Deposit are hereinafter collectively referred to as the "Deposit." In the event a Purchaser defaults under the Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, cancel such Agreement and retain, as liquidated damages, the Deposit made by the Purchaser, together with interest earned thereon, if any (which Deposit may be in excess of ten percent (10%) of the purchase price). Additionally, if a Purchaser fails for any reason to close title to the Tower Unit on the originally scheduled Closing Date and Sponsor elects not to cancel the Purchaser's Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the purchase price of the Tower Unit for each day that the Closing is adjourned. Purchasers are further advised that (i) if a Purchaser makes a Deposit in excess of $100,000 for the purchase of a unit, such Deposit will not be federally insured in excess of $100,000; and (ii) while the Deposit is in the non-interest bearing checking portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $100,000. Funds drawn on out-of-state or foreign banks will not be accepted in payment of the purchase for a Tower Unit unless otherwise agreed by Sponsor. The Agreement also provides that Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under the Agreement or, in the event Purchaser defaults under the Agreement beyond any applicable grace period, in canceling the Agreement or otherwise enforcing Purchaser's obligations thereunder. THE AGREEMENT ALSO PROVIDES, IN CLEAR AND EXPLICIT TERMS, THAT EXCEPT AS PROHIBITED BY LAW, THE PARTIES WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN, THIS AGREEMENT OR THE RELATIONSHIP CREATED HEREBY. (See the Section entitled "Procedure to Purchase" for further discussion of the foregoing.)

2. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Tower Unit pursuant to the Agreement shall not be contingent upon obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to finalize their financing arrangements before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is

obtained, its term may be fixed, and it could expire before the Closing Date and a Purchaser would have to close without financing or risk losing such Purchaser's Deposit. See the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

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

4. No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party (including without limitation, parties purchasing from Purchasers) shall be deemed to have received any benefit as a result of any of the provisions of the Plan. See the Section entitled "General" in Part I of the Plan for further details.

5. There is no limit on the length of time that Sponsor may control the designation of the two (2) members of the Condominium Board designated by the Tower Unit Owners. The Sponsor has the right to appoint the two (2) members of the Condominium Board to be designated by the Tower Unit Owners for a period ending on the date which is five (5) years from the First Closing unless the Sponsor voluntarily relinquishes such right prior to the expiration of such five-year period. After the date which is five (5) years from the First Closing, Sponsor may continue to control the members of the Condominium Board designated by the Tower Unit Owners if it has sufficient votes to elect a majority of such members of the Condominium Board. The Base Unit Owners, which are initially the Developer, will control the Condominium Board by virtue of the fact that a Majority of the Base Unit Owners will designate three (3) of the five (5) members of the Condominium Board. Accordingly, Developer, as the owner of the Base Units, will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Tower Unit Owners and the Base Unit Owners. Please refer to the Section of the Plan entitled "Control by Sponsor" in Part I of the Plan for further details.

6. No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way, (a) without the prior written consent of the Base Unit Owners with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of any Base Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Base Unit Owner or (b) without the prior written consent of Sponsor or its designee or the owner of any Unsold Tower Unit, with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Tower Unit, or

otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Tower Unit. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers.")

7. At or subsequent to the First Closing, Developer will lease a Rental Apartment located in the Rental Unit in the Condominium to the Condominium Board, to be used as the Resident Manager's residence (the "Resident Manager's Apartment"). The lease for the Resident Manager's Apartment will be for a five (5) year period beginning as of the First Closing. The Condominium Board shall be responsible for all costs and expenses attributable to the use and occupancy of the Resident Manager's Apartment (including, without limitation, rent charged by the Rental Unit Owner, at a market rent commensurate with the fair market value of comparable Rental Apartments, insurance premiums and utilities, such market rent to be adjusted annually) and such costs and expenses shall be a Residential Common Expense as more particularly set forth in Schedule B, "Projected Budget for First Year of Condominium Operation." There is no guarantee that the Rental Unit Owner will continue to make the Resident Manager's Apartment available for use by the Condominium Board beyond the aforementioned five (5) year period, and if the Rental Unit Owner does so make the Resident Manager's Apartment available, no representations are made regarding the rental or use and occupancy which will be charged by the Rental Unit Owner therefor. In the event that after five (5) years the Rental Unit Owner does not make the Resident Manager's Apartment available for the use by the Resident Manager, there may be no apartment in the Building for use of the Resident Manager in the Building. In such event: (i) the Condominium Board must employ a superintendent for the Building who will be provided with an apartment within a distance of one block or two hundred feet from the Building or (ii) the New York City Housing Maintenance Code may require that the Condominium Board employ a twenty-four hour a day janitorial service. The Condominium Budget for the First Year of Condominium Operation, includes expenses for the Resident Manager and the Resident Manager's Apartment. Please refer to Schedule B in Part I of the Plan for further details regarding the costs for the Resident Manager's Apartment during the first year of Condominium operation.

8. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the first years of Condominium operations, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction, which may occur at all hours and could compromise the Building's security systems. During this period, various building systems, including but not limited to water supply, air conditioning, heating, cooling, ventilating and elevators, may need to be shut down temporarily. Sponsor and Developer and their respective designees, including tenants performing work in the Base Units, will have the right to and may utilize elevators and other building systems and may install and retain scaffolding and other equipment on and in the Building to complete construction of the Building. Developer may not fully complete the decoration of portions of the Building, including, without limitation, the lobbies or corridors in the Building, the installation of light fixtures, the hanging of wall coverings or laying carpeting, until a particular portion of the Building is complete or a particular floor is fully occupied by Tower Unit Owners. Purchasers should note that the Retail Units and the Garage Units may not be completed for a substantial period of time after the completion of the Tower Units. Moreover,

the proposed development of the High Line and the various rights and obligations of the Developer and other parties under the High Line Restrictive Declaration and Access Easement (all as more particularly described in Special Risk 41) may further delay completion of the Retail Units and the Garage Units and other portions of the Building and may generate noise, dust and other objectionable conditions long after Tower Unit Owners have taken occupancy of their Units. The Condominium Board may refuse to permit a Tower Unit Owner to perform alterations in a Tower Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor or Developer. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. Portions of the Building such as the Storage Bins may be completed after some or all of the Units and the fact that such portions of the Building have not been completed or are not available for use by Tower Unit Owners is not a basis for a Tower Unit Owner to refuse to close title to the Tower Unit. In addition, the presence of hoists or construction elevator shafts or similar temporary construction facilities, may delay the closing of title to certain Tower Units or lines of Tower Units until such hoists, elevators or temporary facilities are no longer needed and are removed. During the period when Developer is completing construction of the Building, moves into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The first Temporary Certificate of Occupancy will be issued for some but not all of the Tower Units and Developer may complete construction of certain Tower Units before others. Accordingly, Purchasers should be aware that they may be required to close title to their Tower Unit while construction in other Units is continuing, possibly, for extended periods of time, and that noise, dust and other objectionable conditions inherent in a construction site may inconvenience Tower Unit Owners after they have taken occupancy of their Tower Unit. Please refer to the Section of the Plan entitled "Description of Property" in Part I of the Plan for further details.

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

10. The first year of Condominium operation is estimated to be July 1, 2008 through June 30, 2009. As in any newly constructed project, given the vagaries of the construction process, as more particularly described above, it is difficult to predict, with precision, the date

Sponsor will first be able to close title to the Tower Units. Accordingly, the First Closing may occur sooner or later than the projected first year of Condominium operation and closings to certain Tower Units may occur substantially before or after closings for other Tower Units. If the dated of the first closing is delayed twelve (12) months or more from the projected commencement of the first year of Condominium operation, purchasers will be offered a right of rescission. See the Section entitled "Description of Property and Improvements" under the heading "Construction of the Building" in Part I of the Plan for further details.

11. The real estate tax estimates for each Tower Unit were calculated on the assumption that the real estate taxes for the residential portion of the Building payable with respect to each Tower Unit for the first year of Condominium operation will be allocated in proportion to each Tower Unit's percentage interest in the Common Elements as set forth on Schedule A. Upon determination of individual tax lots and individual Tower Unit assessments, the New York City tax authorities may allocate taxes between the Tower Units in proportion to each Tower Unit's purchase price or imputed market value rather than its percentage interest in the Common Elements, and, if so, Tower Units having the same or similar percentage interest may pay different real estate taxes and taxes may differ from those set forth on Schedule A. Sponsor, at its sole cost and expense, intends to apply for partial exemption from real estate taxes with respect to the Building pursuant to Section 421-a of the New York State Real Property Tax Law. There is no guaranty or assurance that the criteria for continued availability of Section 421-a benefits for the Tower Units will be satisfied or that a Final Certificate of Eligibility will be issued by New York City Department of Housing Preservation and Development ("HPD"). If, for any reason, Sponsor's application for a Final Certificate of Eligibility is not approved, the Units will be subject to full taxation and will receive no benefits under Section 421-a. The fact that 421-a Benefits are ultimately not received shall not be a basis for a Purchaser to rescind an Agreement or otherwise fail to close title to a Unit. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS FOR THE TAX YEAR 2005/2006 WHICH DO NOT APPEAR CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS. Moreover, Purchasers should note that the real estate taxes for the first year of Condominium operation (assuming no 421-a benefits) are less than taxes would be for the second year of Condominium operation without 421-a benefits since the first year's tax estimate includes a period of assessed valuation of the Property prior to the completion of the Building, which is a substantially lower valuation. Please refer to the Section of the Plan entitled "Real Estate Taxes" in Part I of the Plan for further details.

12. Developer and any subsequent owner of the Base Units have the right to subdivide and combine portions of their respective Units, subject to the provisions of the Declaration and By-Laws. The Base Units may be used for any lawful purposes. Purchasers are advised that the Base Unit Owners may maintain a rental office within the Rental Unit for the leasing of the Rental Apartments. The Tower Unit Owners will not have control over the uses of the Base Units (See the Section of the Plan entitled "Base Units" for further details). The use of

the Base Units may generate noise, vibrations, traffic, fumes or other disturbances over which the Tower Unit Owners will have no control. The Base Unit Owners shares the cost for certain expenses based upon either its General Common Interest or its Residential Common Interest, as the case may be, and shares other costs based upon anticipated usage. Please refer to the "Introduction" Section of the Plan under the subsection entitled, "Features of Condominium Ownership" and Schedule B for further details regarding the allocation of Common Expenses.

13. Sponsor currently intends to sell the Tower Units under the terms of the Plan. However, under the terms of this Plan, Sponsor and the owners of any Unsold Tower Units have reserved the right to rent or lease any Unsold Tower Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Tower Units for sale at any time, in Sponsor's sole discretion or to use or offer the Unsold Tower Units for any lawful purpose. Certain Tower Units may be occupied under short-term leases having a term in excess of thirty (30) days. Purchasers are advised the Rental Apartments will initially be leased for residential rental purposes. Therefore, the Rental Unit, which contains 288 Rental Apartments, will initially be leased or occupied but not owned by the residents thereof. Accordingly, residents of the Condominium will be comprised of both Tower Unit Owners and tenants leasing from Sponsor or other Tower Unit Owners or the Base Unit Owners. Accordingly, it is possible that a significant proportion of Tower Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Tower Unit Owners. Individuals leasing Rental Apartments have no right to purchase such Rental Apartments which are not being offered for sale pursuant to the Plan but are part of the Rental Unit. As a consequence of the foregoing, a Tower Unit Owner seeking to resell or refinance a Tower Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. See the Section entitled "Introduction" under the Subsection "Features of Condominium Ownership" in Part I of the Plan for further details.

14. The By-Laws do not include a provision that a majority of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. In addition, non-resident owners, including Sponsor, Developer, and the Base Unit Owners, may not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, Developer and the Base Unit Owners may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). Purchasers are referred to the By-Laws for further details.

15. Individuals leasing Tower Units from Sponsor will not, except as expressly provided in their respective leases, have any special rights to purchase such Units. In addition, a Purchaser may be acquiring a Tower Unit that has been previously occupied, but such Tower Unit will be delivered at closing free and clear of all leases and tenancies except as may otherwise be agreed to in writing by the parties. Any lease for a Tower Unit entered into with a Purchaser will provide, however, among other things, that an uncured default by the Purchaser under the Agreement with respect to the Unit which is the subject of the lease will constitute a default under the lease entitling Sponsor, at its sole option, to terminate such lease in accordance

with applicable Law. In addition, each Agreement may provide that an uncured default by the Purchaser under any lease with respect to the Tower Unit which is the subject of the Agreement will constitute a default under the Agreement entitling Sponsor, at its sole option, to terminate such Agreement and to exercise any remedies therein provided. See the Section entitled "Interim Leases" in Part I for further details.

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

17. No bond or other security has been posted by Sponsor or by Developer to secure their respective obligations to pay Common Charges, special assessments and real estate taxes with respect to the Base Units and the Unsold Tower Units or to complete construction of the Condominium. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Tower Units. Developer is obligated to pay the Common Charges for the Base Units for so long as such Units are owned by Developer. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

18. The exterior surface of all windows in the Residential Section if so determined by the Condominium Board shall be washed and cleaned by the Condominium Board and the cost and expense thereof shall be a Residential Common Expense apportioned between the Unit Owners based upon their Residential Common Interest. Otherwise, the exterior of all windows in the Residential Section shall be washed or cleaned at the cost and expense of the Tower Unit Owner or the Rental Unit Owner, as the case may be. The interior glass surfaces of all windows located in any Unit and the exterior glass surfaces of all windows located in the Base Units, other than those in the Residential Section, shall be washed and cleaned at the sole discretion of the Unit Owner or resident thereof at such Unit Owner's or resident's sole cost and expense. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan for further details. The Budget for first year of Condominium operation does not include any expenditure for window washing.

19. Purchasers shall be obligated to pay the NYC Real Property Transfer Tax and NYS Real Property Transfer Tax which by Law are the primary obligation of a seller. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Purchasers who acquire two or more Tower Units that have not been combined into a single residence prior to the transfer will be obligated to pay the NYC Real Property Transfer Tax at the commercial rate of 1.425% of the purchase price of a Tower Unit that is less than $500,000 and 2.625% of the purchase price of a Tower Unit that exceeds $500,000. If the purchase price of the Tower Unit is $1,000,000 or more, Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," currently one percent (1%) of the purchase price, which by Law is the primary obligation of the Purchaser. (See the Section entitled "Closing Costs and Adjustments" for further details).

20. Construction of the Building is being financed by New York State Housing Finance Agency, PB Capital Corporation, and Landesbank Baden-Württemberg, New York Branch for itself and as agent for any other lenders who participate in the construction loan (the "Construction Lender"), which financing is secured by, among other things, mortgages and security agreements (collectively the "Construction Loan"). Sponsor's offer to sell the Tower Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR. Under the terms of the regulations, Sponsor may not declare the Plan effective until Agreements are signed by bona fide purchasers for fifteen percent (15%) of the Tower Units offered under the Plan. Please refer to the Sections entitled "Effective Date" and "Rights and Obligations of the Boards of Managers and Unit Owners" in Part 1 of the Plan for further details.

21. Purchasers or any other persons entering into a lease or use and occupancy agreement for a Tower Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. Such legal fees are estimated to be approximately $750 assuming that the Purchaser's counsel does not negotiate the terms of the lease. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. See the Section entitled "Rights and Obligations of Sponsor".

22. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Michael, Levitt, Goldberger & Rubenstein, LLC in connection with the closing of title to Purchaser's Unit: (i) the sum of $1,350 to reimburse Sponsor for its legal fees, (ii) if the Purchaser requests the Closing to occur other than at the offices of Michael, Levitt, Goldberger & Rubenstein, LLC or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan, (iii) if the closing is adjourned through no fault of Sponsor, an additional fee of $500 for each such adjournment to help defray the cost of preparing for and coordinating the new closing; and (iv) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement. Please refer to the Section of the Plan entitled "Closing Costs and Adjustments" for further details.

23. It is presently contemplated, and the Budget for the First Year of Condominium Operation provides, that a uniformed doorman/concierge will be on duty at the Lobby of the Building twenty-four (24) hours a day, seven (7) days a week. Please refer to the Budget for the First Year of Condominium Operation set forth as Schedule B to the Offering Plan for further details.

24. Purchasers should note that in the current real estate market, banks and other lenders may be imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (50% or more) of the units in a building be sold before the lender will consider making a loan. Thus it may be possible for a Purchaser to experience difficulty

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

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

26. As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Developer is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to view or light quality. The sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable codes and files plans and specifications, and any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control. See the Section entitled "Rights and Obligations of Sponsor" under the Subsection entitled "Sponsor's Obligations With Respect to the Building" in Part I of the Plan for further discussion.

27. In order to meet the possible varying demand for number and type of Tower Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Tower Unit, (b) change the size and/or number of Unsold Tower Units by dividing one or more such Units into two or more separate Unsold Tower Units, combining separate Unsold Tower Units (including those resulting from such subdivision or otherwise) into one or more Unsold Tower Units, altering any boundary walls between one or more Unsold Tower Units, or otherwise, including incorporating any Common Element (such as a portion of a hallway) which exclusively benefit an Unsold Tower Unit into such Unsold Tower Unit (without changing the Common Interests), (c) designate a Common Element as part of a newly created or expanded Tower Unit or Base Unit or designate all or part of a Tower Unit or a Base Unit as a newly created or expanded Tower Unit, Base Unit, Tower Common Element, Residential Common Element, Commercial Common Element, Rental Common Element or any Limited Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. No change will be made in the size or number of Units and/or their respective percentages of common interest, and no material change will be made in the size or quality of Common Elements, except by amendment to the Plan and, when applicable, to the Declaration. After the Condominium Documents have been recorded any such amendment to the Plan will also require an amendment to the Condominium Documents. Sponsor may not change the size, location of the building or Units or other improvements or Common Elements if such changes affect the percentage of Common Interests or adversely affect the value of any unit to which title has closed or for which an Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change. After the Condominium Documents have been recorded any such amendment to the Plan will also require an amendment to the Condominium Documents. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

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

29. Terraces and/or Balconies appurtenant to certain Tower Units, as described in Schedule A and the Floor Plans set forth in Part II of the Plan, will be Tower Limited Common Elements. Where a Terrace and/or Balcony has been designated as a Tower Limited Common Element appurtenant to a Tower Unit, the Tower Unit Owner thereof will have the exclusive use of same, subject to the rights of the Condominium Board to regulate its use and subject to rights of access to the Terrace and/or Balcony (as set forth in the Declaration and By-Laws) for maintenance, repair and replacement and other uses. A Tower Unit Owner shall be responsible for all normal maintenance, repairs and replacements to the Terrace and/or Balcony appurtenant to such Unit Owner's Tower Unit. However, the costs and expenses of any structural repairs or

repairs or replacements caused by the need for such structural repairs, including the replacement of the surface, to any Terrace and/or Balcony (unless caused by its Tower Unit Owner), shall be charged to all Tower Unit Owners as a Tower Common Expense. Certain cooling towers and other mechanical equipment necessary for the maintenance and operation of the Building and the Units may be located on the roof, as well as located in other portions of the Building. The Condominium Board will be responsible for ensuring that the mechanical equipment is operated in accordance with Law, including requirements governing acceptable levels of and odor emissions, unless caused by a failure of the Sponsor to comply with applicable code provisions and filed plans and specifications. Neither Sponsor nor Developer is responsible for nor can make any guarantees regarding the level or noise or odors resulting from the operation of the Building or the Units or the Rental Apartments or the degree of privacy which will be afforded to Tower Unit Owners or Rental Apartment residents on their Terrace and/or Balcony.

30. Sponsor and Developer shall have, and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building. Sponsor's and Developer's easement will not expire and will remain in effect after the Sponsor no longer owns any Units in the Building and after Developer no longer owns the Base Units. Common Elements may be used by Sponsor or Developer for any lawful purposes including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing satellite dishes and other communication equipment on the roofs and facade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto and (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the Maintenance thereof; provided that access to any Unit or Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and residents of the Base Section or with the use of the Tower Units for their permitted purposes. The aforementioned easements may be used by Sponsor, Developer, its designee, tenant, assignee or licensee for its own account or the account of any designee, tenant, licensee or assignee of Sponsor or Developer for the purpose of servicing the Condominium or any other building or area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor, Developer, its designee, tenant, assignee or licensee for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the roof, the facade of the Building or any other portion of the Common Elements by Sponsor, Developer, its assignee or licensee shall be the exclusive property of Sponsor, Developer, its designee, tenant, assignee or licensee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Installation of any such equipment shall not block the light and/or air of any window appurtenant thereto.

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

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

33. There is no provision for a specific reserve fund for the Condominium for the purpose of paying the cost of future capital repairs, replacements or improvements to the Premises (except that each Purchaser of a Tower Unit shall pay into the Working Capital Fund of the Condominium a sum of equal to two (2) months of Common Charges for the Tower Unit being purchased). Therefore, Unit Owners shall be obligated to pay their share of the cost of repair, replacements and improvements to the Common Elements as the need for the same arises, unless there are sufficient Working Capital or other funds available. As the Building will be newly built, the Sponsor does not anticipate the imminent need for such capital repairs, replacements or improvements; however, no assurance or guaranty is given that such needs shall not arise in the future. See the Section entitled "Reserve Fund" in Part I of the Plan for further details.

34. The proposed insurance coverage for the first year of Condominium operation includes terrorism insurance. However, there is no assurance that such insurance will be available in the future or at a price that the Condominium Board would be prepared to spend. It can be reasonably anticipated that without terrorist insurance, in the event of a terrorist attack, the Property would not be insured or would have insufficient insurance to rebuild or repair any damage and Unit Owners could be assessed to cover the costs of restoration and failure to pay such assessment could lead to a foreclosure of the Unit. Purchasers should further note that the insurance coverage maintained on behalf of the Condominium does not cover the individual Units or any Unit or any property contained in a Unit (including without limits, windows facing into each Unit which comprise part of the Unit). Pursuant to the By-Laws, each Tower Unit Owner will, at the Tower Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any Limited Common Element appurtenant thereto or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property plus at least $2,000,000 umbrella liability coverage and (b) tenant's or Tower Unit Owners' "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage as well as personal property). The limits of liability and other requirements with respect to the Unit Owner's insurance may be modified by the Condominium Board from time to time.

35. Sponsor anticipates that it is likely that the Condominium will not qualify as a homeowners association under Section 528 of the Internal Revenue Code. Assuming the

Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election to be a homeowners association, the present state of the Law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion prepared by Stroock & Stroock & Lavan LLP and set forth in Part I of the Plan, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Schedule B, Budget for the First Year of Condominium Operation, does not contemplate any substantial income which might be taxable and accordingly does not specifically budget any amounts for taxes for nonmembership or membership income (but does budget for certain minimum taxes that might be due). Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. Please refer to the Attorney's Income Tax Opinion and the Section entitled "Taxes—Deductions to Tower Unit Owners and Tax Status of Condominium" in Part I of the Plan for further discussion.

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

37. Two (2) of the Base Units will initially be utilized as a Garage Units ("Garage Unit 1" and "Garage Unit 2", collectively the "Garage Units") containing approximately one hundred and one (101) parking spaces, as of right. The Garage Units may be operated seven (7) days a week, twenty-four (24) hours a day. Developer has applied for a special permit to permit the Developer to create 210 parking spaces in the Garage Units. It is anticipated that the Garage Units will be operated by a parking garage operator (the "Garage Operator") who may or may not be affiliated with Sponsor or Developer. The terms of any sale or lease of such Garage Units shall include an obligation by the purchaser or lessor of such Garage Units to comply with Multiple Dwelling Law §60 which provides that residents of a building have a priority for monthly parking leases in a garage located in such building. The Garage Operator will determine and collect charges based upon market rates and will establish such rules and regulations governing the availability and priority of spaces and the general operation of the Garage Units as the Garage Operator may deem appropriate. The Condominium Board may not

adopt any rules or regulations or amend the Declaration or By-Laws in any manner which would affect the operation of the Garage Units. Please refer to the Section of the Plan entitled "Base Units" for further details.

38. Sponsor makes no representations or warranties regarding building construction in the area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Tower Unit.

39. The By-Laws provide that each Unit and all portions of the Common Elements will be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water to the extent same will cause damage to the Building) by the Unit Owner or Condominium Board, whichever is responsible for the maintenance thereof. In the event a Unit Owner fails to keep such Unit Owner's Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the subsection entitled "Rights of Access"). Each Unit Owner will be obligated to heat and cool such Unit Owner's Unit so as to maintain the appropriate temperature in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units, including, without limitation, freezing pipes and damage to the wood floors and moldings. Purchasers should note that, as with all wood products (including without limitation, wood furniture, cabinetry, floors and molding) wide variations of temperature and humidity can lead to shrinkage and expansion of the wood which in turn may cause damage to any such wood product.

40. The wood floors are engineered wood and may be sanded twice (2) by professional flooring mechanics before they must be replaced.

41. The Building is located adjacent to the "High Line", an unused elevated railway which runs 1.45 miles, and spans twenty-two (22) city blocks, from 34th Street to Gansevoort Street. The High Line is currently owned by the City of New York (the "City") and is not open to the public. Pursuant to Sections 98-00 *et seq.* of the Zoning Resolution (the "High Line Regulations"), the City has established the Special West Chelsea District which is intended to facilitate the restoration and reuse of the High Line as an accessible public open space. Under the terms of the High Line Regulations, a property adjacent to the High Line may be eligible for an increase in the maximum basic floor area ratio, provided that the owner of such property (and other "parties-in-interest" as defined in the Zoning Resolution) enter into a restrictive declaration and easement (the "High Line Restrictive Declaration and Access Easement") to be filed and recorded in the Office of the Register of the City of New York. Developer intends to enter into a High Line Restrictive Declaration and Access Easement with respect to the Property, a copy of which is set forth in Part II of the Plan. Pursuant to the High Line Restrictive Declaration and Access Easement and the High Line Regulations, the High Line may be converted to public space, public trail use or other public recreational purposes or as general municipal property (the "Public Space"). In the event the High Line is converted to Public Space, the High Line Restrictive Declaration and Access Easement and the High Line Regulations provide for the creation of a stairway and elevator and related Facilities, including restrooms, on the Property (the "High Line Amenity"), to be constructed by Developer as part of the initial construction, and which are to be maintained and repaired by the City and as to which there will be public

access to and from the High Line with access to the street for use by the public (the "High Line Access Easement"). In addition, Developer granted an access easement to the City of New York dated as of November 4, 2005 (the "New York City High Line Easement") which allows an exclusive, perpetual right of way across a portion of the property as may be reasonably necessary to develop, reconstruct, replace, improve, operate, maintain, repair and use the High Line in accordance with the New York City High Line Easement. Residential Permitted Users may have access to the High Line from within the Building through this public access point. Neither Sponsor nor Developer are responsible for the creation of the Public Space nor can they guarantee that the Public Space will be created or that the High Line Amenity will be constructed or that Residential Permitted Users will have access to the High Line from within the Building. If such High Line Amenity is constructed, members of the public will not have access to the High Line from within the Building other than through the High Line Amenity. The City may require, as a condition to the Condominium's access to and use of the Public Space, that the Condominium pay certain fees or undertake certain maintenance obligations. Any such fees or obligations will constitute Residential Common Expenses. The Condominium will be responsible for cleaning and otherwise maintaining the sidewalks in front of the High Line Amenity. Neither Sponsor nor Developer make any guarantee or representation that use of the High Line Amenity or the High Line will not generate noise, traffic, fumes or other disturbances over which the Tower Unit Owners will have no control.

42. Pursuant to a zoning lot merger purchase and sale agreement between Developer, as purchaser, and 437 West 16th Street LLC, as seller ("West 16th LLC"), dated as of September 22, 2005 (the "ZLDA Purchase Agreement"), Developer acquired the rights to certain available development rights (the "Available Development Rights") appurtenant to West 16th LLC's property as of the date of the ZLDA Purchase Agreement, and any and all development rights and other benefits which are or may become available to Developer or West 16th LLC through any law or regulations allowing purchase of development rights or other benefits including but not limited to, any High Line improvement bonus now or hereafter attributable to the zoning lot (the "High Line Rights"), *less* any Floor Area Development Rights utilized by West 16th LLC's property as of the date of the ZLDA Purchase Agreement, and any and all development rights which result from any upward revision on or after the date of the ZLDA Purchase Agreement by the City of New York of the allowable floor area ratio, and any floor area and development rights resulting from the inclusion on or after the date of the ZLDA Purchase Agreement of any available additional floor area and any use, bulk, density and other development rights permitted under the Zoning Resolution (collectively, the "Up-Zoning Rights"). West 16th LLC and Developer have entered into a Zoning Lot Development Agreement (the "ZLDA") which regulates the rights and obligations of the parties and the use of the Available Development Rights. West 16th LLC has retained the rights to any Floor Area Development Rights and all other rights utilized by its property, as of the date of the ZLDA Purchase Agreement, and the Up-Zoning Rights. Further, Declarant acquired additional air rights under the ZLDA appurtenant to 431 West 16th Street. Please refer to the ZLDA contained in Part II of the Plan for further discussion.

43. Pursuant to the ZLDA Purchase Agreement, Developer granted West 16th LLC a license to install, at West 16th LLC's sole cost and expense, up to two (2) satellite dishes, the exact location of which shall be approved and designated by Sponsor, in its sole discretion, not to exceed 18" in diameter each on the roof of the Building (the "Satellite License").

44. Excluded from the Property are those portions of the Available Development Rights which are not being utilized in connection with the construction of the Building (the "Excess Available Development Rights"). The Excess Available Development Rights shall initially retained by Developer, which Development Rights may be utilized by Developer or any party acquiring same from Developer (the Development Rights Purchaser") and merged into a zoning lot pursuant to the terms of a further zoning lot development agreement (the "Master ZLDA"). Any available Excess Available Development Rights or High Line Rights will not be used to build additional stories over the top roof of the proposed Building.

45. All references in the Plan and in marketing materials to "floors" are references to their "marketing" designations and not the designation given to the floors on the plans submitted to the New York City Department of Buildings. There is no floor in the Building that will be designated as Floor 2 or Floor 13. Please refer to the "Description of Property" in Part II of the Plan for further details.

46. If Purchaser obtains a mortgage loan for the purchase of the Tower Unit (the "Purchase Money Mortgage"), the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage. (See the Section entitled "Closing Costs and Adjustments" in Part I of the Plan for further details).

47. The By-Laws provide that the Condominium Board has the right, but not the obligation to require that before any Tower Unit is conveyed to a government or governmental mission, or to a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America or elsewhere, may occur or be valid or effective, the Condominium Board may require that certain additional conditions be satisfied. Specifically, the Condominium Board may require that the potential grantee enter into an agreement with the Condominium Board, on terms acceptable to the Condominium Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably waives, to the full extent permitted by law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee, and with respect to any and all other intended residents of the Unit, any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise, (and

diplomatic and consular immunity, if applicable) from any legal or equitable proceedings in the United States of America or elsewhere, brought by the Condominium Board or any other party claiming with respect to the Unit (including without limitation, immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of that party's property from attachment prior to entry of judgment and from attachment in aid of execution, and from execution itself, upon a judgment), (iii) agrees that any legal action or proceeding with respect to the Unit may be brought in the courts of the State of New York, and in the City of New York, or in the United States District Court for the Southern District of New York, as the Condominium Board shall elect, and (iii) permits execution and enforcement of any judgment obtained by the Condominium Board. The foregoing provisions do not apply to sales of Unsold Tower Units or Unsold Unit.

48. Purchasers are advised that there is no laundry room planned in the Building. A stacked or side-by-side washer and ventless dryer will be provided in each Tower Unit. Please refer to the "Description of Property" in Part II of the Plan for further details.

49. It is anticipated that electricity for the Building will be provided by Consolidated Edison Company or such other utility company providing electricity to the Building. The charges for electricity consumed by each Tower Unit Owner will be separately metered and billed directly to such Unit Owner by the utility provider. The charges for electricity consumed in the Residential Common Elements, the Tower Common Elements and the Rental Common Elements will be metered and billed to the Condominium Board as a Residential Common Expense and will be allocated to all Unit Owners according to Residential Common Interest. The charges for electricity consumed by the Commercial Section will be separately metered and billed directly to the Base Unit Owners, or their tenants, as the case may be. Purchasers are advised that utility costs may increase dramatically during certain periods and there is no guaranty that the utility costs will be as estimated in the Plan given the current energy situation. Please refer to "Schedule B- Projected Budget for First Year Of Condominium Operation", Schedule B-1 – Projected Energy Costs" in Part I of the Plan and the "Description of Property" in Part II of the Plan for further details.

50. Sponsor has reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion or to use or offer the Unsold Units for any lawful purpose. Except where otherwise prohibited by Law, certain Units may be occupied under short term leases, having a term in excess of thirty (30) days. Accordingly, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. As a consequence, a Unit Owner seeking to resell or refinance a Unit may experience difficulty. In addition, residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e. purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more than the fifteen percent (15%)

necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. See the Section entitled "Introduction" under the Subsection entitled "Features of Condominium Ownership" in Part I of the Plan for further details.

51. As set forth in the Description of the Property in Part II of the Plan, there are lot line windows located in Unit 1021, Unit 1022, Unit 1005, Unit 1006, Unit 1121, Unit 1122, Unit 1105, Unit 1106, Unit 1221, Unit 1222, Unit 1205, Unit 1206 and Unit 1409. Purchasers should note that if a Building is constructed on a neighboring parcel, or if an addition is constructed on an existing neighboring building, the lot line windows (which are located in each of the Tower Units as noted on the Floor Plans for each of the Tower Units), which are within sixty (60) feet in a direct line (whether horizontally, vertically or diagonally) of such neighboring building, will have to be permanently closed and covered from the interior side with sheet rock. The obligation to permanently close the windows and the cost therefor, will be borne by each Unit Owner. Sponsor estimates the cost therefor to be approximately $2,000 per window. In the event that any windows must be covered as aforesaid, space within a Tower Unit, which had previously been constructed as a separate bedroom, may no longer be legally utilized as such. Sponsor has no actual knowledge of any plans by owners of neighboring buildings to either construct a new building or to increase the height of any existing building which may impair light and air and require any lot line windows to be permanently closed although Sponsor makes no representations or guarantees with respect thereto. Please refer to the "Description of Property" in Part II of the Plan for further details regarding the windows.

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

53. Sponsor is wholly owned by 17th and 10th Associates LLC, an affiliate of Sponsor (hereinafter, the "Developer"), the owner of a parcel of real property having a street address at 450 West 17th Street, New York located on a parcel of land consisting of approximately Fifty-Two Thousand Eight Hundred Seventy Five (52,875) square feet, being more particularly described on the tax maps of the City of New York as Block 714, Lot 1 (the "Land"). Developer and Sponsor entered into a Development Agreement dated as of April 17, 2006 governing the relationship between the Sponsor and its affiliate. Developer is *not* a "sponsor" of this offering, is not participating as a "sponsor" in the individual sales of the Tower Units and will have no liabilities or obligations to Purchasers. Annexed hereto as Exhibit "A" is a true copy of the Deed for the Property dated June 2, 2004 between Freedman Realty Company, LLC and 17th and 10th Associates LLC.

54. Construction of the Base Units is being financed in part, with the issuance of tax exempt and taxable bonds by the New York Housing Finance Agency. Developer will seek a

letter of credit as the credit enhancement for the bonds under the "80-20 Program" pursuant to which eighty percent (80%) of the Rental Apartments will be market rate and twenty percent (20%) will be reserved for families earning no more than fifty percent (50%) of area median income for the New York standard metropolitan statistical area as adjusted for household size as determined by the U.S. Department of Housing and Urban Development (the Median Income"). All or a portion of the twenty percent (20%) of the Rental Apartments may be included in the inclusionary housing program created pursuant to the provisions of Section 23-90 *et seq.* of the New York City Zoning Resolution (the "Inclusionary Housing Program"). For 2006, such Median Income is $70,900 for a family of four. It is anticipated that occupancy of the Rental Apartments will commence on or about the First Closing although neither Sponsor or Developer make any representation regarding the timing of such occupancy.

55. Developer applied for entry of the Property, and the Property has been accepted, into the New York State Brownfield Cleanup Program (the "Brownfield Cleanup Program"). The Brownfield Cleanup Program, enacted through legislation in 2003, sets forth requirements for participation, agreements and work plans for sites accepted into the Brownfield Cleanup Program. Sponsor's application was based on (a) information as to site history, and (b) results of previous site investigations. As to item (a), various businesses occupied the Site between 1920 and 2003, including an auto repair and painting company, a parking lot, a freight terminal, a metal shop and other miscellaneous light industrial and commercial operations. At the time of the BCP application, subsurface investigations had identified certain contaminants associated with past site activities. The contaminants are typical of those found at sites like this one, given the historic use of the site and its location in a coastal area where fill materials were used to raise the ground level. The contaminants are mostly petroleum-related but also include metals and volatile and semi-volatile organic compounds. The site has been comprehensively investigated pursuant to the BCP. A proposed Remedial Action Work Plan ("RAWP") was developed and submitted for review and approval to the New York State Department of Environmental Conservation ("NYSDEC") and the New York State Department of Health ("NYSDOH"). The RAWP has been conditionally approved by the agencies and will be implemented once final approval is received. When remediation has been completed, Developer will request a Certification of Completion from NYSDEC to confirm that the environmental issues at the site have been addressed to the full satisfaction of NYSDEC and NYSDOH. In furtherance of the foregoing, Developer and NYSDEC have entered into a Brownfield Cleanup Agreement ("BCA"), effective as of January 27, 2005, governing the remediation of the Property. Pursuant to the BCA, Developer anticipates remediating the site under NYSDEC oversight. Upon completion of the remediation, NYSDEC will issue a Certificate of Completion confirming that the Property has been remediated to the satisfaction of NYSDEC. Alternatively, Developer may pursue cleanup under the supervision and with the approval of the New York City Department of Environmental Protection ("NYCDEP") and obtain a Notice of Satisfaction stating that the Property has been remediated to the satisfaction of NYCDEP. In either event, Developer anticipates submission to NYSDEC or NYCDEP for its approval of an Environmental Easement that will run with the land in favor of the State of New York.

56. A business improvement district (the "BID") is a partnership between property and business owners who elect to deliver supplemental services such as sanitation and maintenance, public safety and visitor services, marketing and promotional programs, capital improvements and beautification in a designated area. Sponsor reserves the right to engage in

negotiations and to enter into an agreement(s) (the "BID Agreement") to create a business improvement district with neighboring property owners to perform similar functions as those provided by public BIDs. In the event such BID Agreement is entered into, the entities executing such BID Agreement would be responsible for the costs of such services agreed to. In the event such BID Agreement is entered into, the costs of such services will be disclosed in a duly filed amendment to the plan, which will be served upon all Purchasers. Unit Owners would be responsible for the Condominium's pro rata costs associated therewith, as same would be set forth in the amendment to the plan. The costs of such BID Agreement would be payable as a General Common Expense. None of the foregoing shall give rise to a right of rescission on the part of any Purchaser.

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

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

INTRODUCTION

450 West 17th Associates LLC, a New York limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the conversion to condominium ownership of the land (the "Land") together with the building erected thereon known as and having a street address of 450 West 17th Street, New York, New York 10011, (the "Building") containing 190 residential condominium Tower Units (also known as the "Tower Units"), and 5 Base Units, consisting of one (1) Rental Unit, consisting of two hundred eighty-eight (288) Rental Apartments, one (1) Retail Unit, one (1) Fitness Facility Unit and two (2) Garage Units (collectively, the "Base Units"). The Base Units are not being offered for sale at this time. The Land and the Building are collectively referred to herein as the "Property." The condominium will be known as "The Caledonia" and is herein called the "Condominium" in the Plan.

Sponsor is wholly owned by 17th and 10th Associates LLC, an affiliate of Sponsor (hereinafter, the "Developer"), the owner of a parcel of real property having a street address at 450 West 17th Street, New York located on a parcel of land consisting of approximately Fifty-Two Thousand Eight Hundred Seventy Five (52,875) square feet, being more particularly described on the tax maps of the City of New York as Block 714, Lot 1 (the "Land"). Developer and Sponsor have entered into a Development Agreement that governs the relationship between the Sponsor and its affiliate. Developer is *not* a "sponsor" of this offering, is not participating as a "sponsor" in the individual sales of the Tower Units and will have no liabilities or obligations to Purchasers.

The purpose of the Plan is to set forth in detail all material facts relating to the offering to Purchasers by Sponsor of 190 Tower Units. The Condominium Board will lease a Rental Apartment located in the Rental Unit from the Developer, to be used as the Resident Manager's residence (the "Resident Manager's Apartment"). Developer reserves the right to divide the Base Units without amendment to the Plan and to offer all or any portion of the Base Units for sale by amendment to this Plan. Sponsor may from time to time amend or supplement the Plan by filing an amendment with the New York State Department of Law (the "Department of Law") and serving such amendment on Purchasers and Unit Owners.

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein and Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge at Sponsor's office and for inspection and copying at reasonable fees at the offices of the Department of Law and may be borrowed from Sponsor upon payment of a one hundred ($100) dollar deposit, which amount will be fully refunded upon either (i) the prompt return of all borrowed materials in good condition or (ii) the execution by the borrower of an Agreement

subsequently accepted by Sponsor. All of these documents are important and should be carefully read by prospective purchasers. Prospective purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. Prices of Units are not subject to approval by the Department of Law or any other government agency. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions," unless otherwise indicated.

The Condominium

On or about June 2, 2004, Developer acquired fee title to the Land and related structures thereon from Freedman Realty Company, LLC. The Building being constructed on the Land will contain one (1) below-grade level (the "Lower Level"). There are 24 stories above grade, not including a Mezzanine and Mechanical Penthouses. The floors in the Building are named (from bottom to top): Lower Level, Ground Floor, Mezzanine, Third through Twelfth and Fourteenth through Twenty-Sixth/Penthouse. There is no floor designated as Floor 2 or Floor 13 in the Building.

As more particularly described herein, the Building will include (a) a Residential Section containing the Tower Section, the Rental Section and the Residential Common Elements and (b) a Commercial Section, which will consist of the Retail Unit, the Fitness Facility Unit, Garage Unit 1 and Garage Unit 2, the Commercial Common Elements, and the Base Limited Common Elements, if any.

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

There will be available to residents of the Residential Section certain luxury apartment type services, including, but not limited to, twenty-four (24) hour doorman/concierge service, automatic elevators, security systems and communication facilities. There will be at least one (1) doorman/concierge on duty twenty-four (24) hours per day, seven (7) days per week as of the First Closing.

The Base Units will initially consist of one (1) Rental Unit, consisting of two hundred eighty-eight (288) Rental Apartments, which shall consist of 123 studio apartments, 119 one-bedroom apartments and 46 two-bedroom apartments, including one (1) to be used as the Resident Manager's Apartment, one (1) Retail Unit, one (1) Fitness Facility Unit and two (2) Garage Units. The Base Units are not being offered for sale at this time. The Base Units may include retail stores, a fitness facility, residential rental apartments, commercial and professional offices, restaurants, banks, bicycle storage space, storage space, valet room, management offices or any other legal uses.

Features of Condominium Ownership

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

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

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

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

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

deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Tower Unit.

With certain exceptions (for example, Sponsor is not required to give the Condominium Board a right of first refusal with respect to any Unsold Units), any sale or lease of a Tower Unit, will be subject to a right by the Condominium Board to acquire or lease such Tower Unit or to produce a third party to acquire or lease such Tower Unit on the same terms as agreed to by the owner of such Tower Unit and the proposed transferee. Other than exercising its right of first refusal the Condominium Board has no right to approve or disapprove purchasers and the By-Laws contain no requirement that such Purchasers be owner-occupants of the Condominium. There is no limit on the number of purchasers who may purchase for investment rather than personal occupancy. Accordingly, there may always be a substantial percentage of owners who are non-residents. The Base Unit Owners may sell or lease all or any portion of the Base Units, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Sales and Leases of Units."

The Condominium Board will be responsible for deciding all matters concerning the Condominium. Tower Unit Owners will have the right to vote for two (2) members of the five (5) members of the Condominium Board. In any matter solely concerning the Tower Unit Owners, only those members of the Condominium Board elected by the Tower Unit Owners shall have the right to vote. Please refer to the Sections of the Plan entitled "Control by Sponsor" and "Board of Managers" in Part I of the Plan for further details.

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

As more particularly set forth in the By-Laws, the Condominium Board will have the authority to manage the Condominium, and the Tower Unit Owners will have the right to vote for two (2) members of the Condominium Board. As more particularly set forth in the By-Laws and in Schedule B, and in accordance with the Condominium Act, Sections 339-i and -m, the cost of operating and maintaining the General Common Elements will be a General Common Expense and will be shared by all Unit Owners allocated by their General Common Interest, or other allocation based on usage; the cost of operating and maintaining the Residential Common Elements, the Residents' Fitness Lounge and Residents' Fitness Elevator during the term of the Residents' Fitness Lounge Agreement as same may be extended, certain Rental Common Elements and Tower Common Elements will be Residential Common Expenses borne by the Unit Owners allocated by their Residential Common Interest, or other allocation based on usage; the cost of operating; and maintaining the Commercial Common Elements, certain Rental Common Elements, and the Base Limited Common Elements, if any, will be borne entirely by the appropriate Base Unit Owner thereof unless otherwise set forth herein; and the cost of operating and maintaining the Tower Common Elements will be Tower Common Expenses borne by the Tower Unit Owners allocated by their Tower Common Interest. Common Charges shall also be deemed to include any special assessment imposed by the Condominium Board, except as otherwise expressly provided in the By-Laws. To the extent practicable allocations and assessments of HVAC, water, steam and similar utilities and services (the "Utilities and Services") which are General Common Expenses will be based upon metered usage of such Utilities and Services or such other methods of allocation as the Condominium Board may determine. The Condominium Board cannot change the method of allocation of Common Expenses or increase the number of building employees servicing the Base Units as set forth in Schedule B, without the consent of the Base Unit Owners. Please refer to Schedule B, "Projected Budget for First Year of Condominium Operation" and Schedule B-1 "Estimated Energy Costs", Purchasers should note that the amounts budgeted for projected energy usage are based upon estimates made by Sponsor's consulting engineer. However, in view of the current energy situation, and the fact that energy costs have fluctuated greatly, it is not possible to predict whether the budgeted amount will be sufficient to pay for the actual costs incurred in the First Year of Condominium Operation and actual utility costs and Common Charges may be higher than projected in the Budgets.

The cost of improvements, repairs, replacements, alterations and additions to the General Common Elements, which are General Common Expenses, will be determined by the Condominium Board and assessed against the Unit Owners in proportion to their General Common Interests or other allocation based on usage, as more particularly set forth in Schedule B. The cost of improvements, repairs, replacements, alterations and additions to the Residential Section, which are Residential Common Expenses, will be determined by the Condominium Board and assessed against all Unit Owners in proportion to their respective Residential Common Interests or other allocation based on usage, as more particularly set forth in Schedule B. The cost of improvements, repairs, replacements, alterations and additions to the Tower Section, which are Tower Common Expenses, will be determined by the Condominium Board and assessed against all Tower Unit Owners in proportion to their respective Tower Common Interests, as more particularly set forth in Schedule B. The costs of improvements, repairs, replacements, alterations and additions to the Commercial Common Elements, certain Rental Common Elements and the Base Limited Common Elements, if any (to the extent such costs are not Residential Common Expenses), will be paid by the applicable Base Units Owner thereof,

except as otherwise set forth herein. The estimated Common Charges for each Tower Unit for the First Year of Condominium Operation are set forth in Schedule A. The Condominium Board will be responsible for collecting all sums necessary to meet the obligations of the Base Units including, without limitation, payment of its pro rata share of Common Charges.

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

There are no limitations on who may purchase Tower Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity, which is permitted to take title pursuant to New York Law. Sponsor is not obligated to offer or sell any Tower Units and may, if it chooses, withhold one or more Tower Units for future sale. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Condominium Board, any Tower Unit Owner, or mortgagee, to refuse to approve and execute an Agreement for any Tower Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other grounds proscribed by Law. No binding obligation will arise for the sale of a Tower Unit unless and until an Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under Law. Construction of the Building is being financed by New York State Housing Finance Agency, PB Capital Corporation, and Landesbank Baden-Württemberg, New York Branch for itself and as agent for any other lenders who participate in the construction loan (the "Construction Lender"), which financing is secured by, among other things, mortgages and security agreements (collectively the "Construction Loan"). Sponsor's offer to sell the Tower Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR. Under the terms of the regulations, Sponsor may not declare the Plan effective until Agreements are signed by bona fide purchasers for fifteen percent (15%) of the Tower Units offered under the Plan. While Sponsor currently intends to sell all of the Tower Units in The Caledonia, Sponsor has reserved the right to stop marketing such Units.

The Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for

investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-residents.

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

Offering of Units for Sale

Sponsor hereby offers 190 Tower Units to Purchasers for sale under the Plan. Developer will lease a Rental Apartment located in the Rental Unit in the Condominium to the Condominium Board, to be used as the Resident Manager's residence (the "Resident Manager's Apartment"). All Units offered for sale under the Plan are vacant. The prices for each of the Tower Units offered under the Plan are listed in Schedule A entitled "Purchase Prices and Related Information for the Projected First Year of Condominium Operation." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY ANY GOVERNMENTAL AGENCY.

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

Developer and any subsequent owner of the Rental Unit, in its sole discretion, and without further amendment to the Plan, hereby reserves the right to offer residents of the Condominium the opportunity to rent the right to use a storage bin (the "Storage Bins") which will be located generally in the Rental Unit on the Lower Level of the Building, and will constitute a portion of the Rental Unit. Neither Sponsor nor Developer make any representation that such opportunity will arise, and if it does, that sufficient Storage Bins will be constructed so that each Residential Permitted User has the opportunity to rent one or more.

Certain of the Storage Bins may be located on below grade levels of the Building and neither Sponsor nor Developer make any representation that the Storage Bins will remain dry or will not experience any water infiltration and neither the Sponsor, Developer, any subsequent Base Unit Owner nor the Condominium Board will be responsible for any damage to items placed in the Storage Bins. Residential Permitted Users who place items in the Storage Bins do so at their own risk and Residential Permitted Users are advised to consult with their insurance brokers regarding appropriate coverage for such stored items.

Developer and any subsequent owner of the Rental Unit, hereby reserve the right to construct and offer residents of the Condominium a bicycle storage room available for the use of Residential Permitted Users on the Lower Level or Ground Floor of the Building (the "Bicycle Room") which will include facilities for the storage of individual bicycles (hereinafter referred to as "Bicycle Racks"). The Bicycle Room will be part of the Rental Unit. Developer, in Developer's sole discretion, reserves the right to move all or any portion of the Bicycle Room and/or to increase or decrease the number of Bicycle Racks. It is currently anticipated that the

Rental Unit Owner will charge for the use of each Bicycle Rack. The Rental Unit Owner has the right to modify fees for the use of the Bicycle Racks and to establish rules and regulations relating to the use of the Bicycle Room and Bicycle Racks. Neither Sponsor nor Developer make any representation that such opportunity will arise, and if it does, that such Bicycle Room will be constructed so that each Residential Permitted User has the opportunity to rent one or more Bicycle Racks.

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

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

The charges for electricity consumed by each Tower Unit Owner will be separately metered and billed directly to such Tower Unit Owner by the utility provider. Water charges and sewer rents applicable to the Residential Section will be assessed by The City of New York, will be metered and billed to the Condominium Board as a Residential Common Expense and will be allocated to all Unit Owners according to Residential Common Interest. The costs and expenses of central heat, central cooling and electricity with respect to the Residential Common Elements, the Residents' Fitness Lounge and Residents' Fitness Elevator during the term of the Residents' Fitness Lounge Agreement as same may be extended, Rental Common Elements and Tower Common Elements, and gas with respect to the Residential Section, will be metered and billed to the Condominium Board as a Residential Common Expense and will be allocated to all Unit Owners according to Residential Common Interest. Unit Owners will be required to pay charges for electricity consumed for incremental HVAC (including air conditioning) for each Unit. Gas, water and sewer provided to the Commercial Section will be separately metered and billed to the Base Unit Owners, or their tenants, as the case may be. The charges for electricity consumed by the Commercial Section will be separately metered and billed directly to the Base Unit Owners, or their tenants, as the case may be. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Tower Unit. See the Notes to Schedule A with respect to the basis of such estimates.

CERTAIN DEFINITIONS

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

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

"Balcony(ies)" refers to balconies appurtenant to certain Tower Units or Rental Apartments, if any.

"Base Limited Common Elements" refers to those Common Elements, which, in the event of a subdivision of the Base Units, serve or benefit one or more but not all of the Base Unit sand/or the Base Unit Owners, as more particularly defined in the Declaration.

"Base Section" refers to the Base Units (including but not limited to the Commercial Section), and the Base Limited Common Elements, if any, the Rental Common Elements and the Commercial Common Elements.

"Base Units" refers to any or all of the Rental Unit consisting of two hundred eighty-eight (288) Rental Apartments, a party room and terrace located on Floor 10, a management office on the Ground Floor, Storage, Equipment Storage and Supply Room located on the Lower Level, the Residents' Fitness Lounge, a service valet room and Bicycle Storage and/or Storage Bins on the Ground Floor or Lower Level, and other ancillary space, the Retail Unit, the Fitness Facility Unit and the two (2) Garage Units.

"Base Unit Owner(s)" refers to the owner or owners of the Base Units.

"Board" refers to the Condominium Board.

"Building" refers to the structure and improvements including above and below grade segments, known as 450 West 17th Street, New York, New York 10011 in which the Units of the Condominium are located.

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

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

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

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

"Commercial Common Elements" refers to those Common Elements, which serve or benefit exclusively the Base Units and/or the Base Unit Owners, and which are not part of the

Residential Common Elements, Rental Common Elements or Base Limited Common Elements as more particularly defined in the Declaration.

"Commercial Section" refers to that portion of the Building which consists of the Base Section except that portion comprised of the Rental Section.

"Common Charges" refers to any of the General Common Charges, Tower Common Charges, and/or Residential Common Charges.

"Common Elements" refers to any of the General Common Elements, the Residential Common Elements, the Tower Common Elements, the Tower Limited Common Elements, the Rental Common Elements, the Commercial Common Elements, and the Base Limited Common Elements, if any.

"Common Expenses" refers to any of the General Common Expenses, the Residential Common Expenses and the Tower Common Expenses.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in any of the General Common Elements, Residential Common Elements, or Tower Common Elements, as the case may be, appertaining to each Unit determined in accordance with the Declaration.

"Condominium" refers to The Caledonia.

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

"Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Tower Units and the Base Units.

"Construction Lender" refers to such lender, individually and as agent for itself and any other lenders which participate in the financing to be used by Declarant to construct the Building.

"Construction Loan" refers to the loans made by the Construction Lender for the construction of the Building.

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

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

"Developer" refers to 17th and 10th Associates LLC, an affiliate of Sponsor.

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

the failure of which service would have a material and adverse effect on the Building or Property.

"Excess Available Development Rights" shall mean those Available Development Rights, including the High Line Rights, as same are defined in the ZLDA, which are not being utilized in connection with the construction of the Building, which shall initially be retained by Developer.

"First Annual Meeting" shall mean that special meeting of the Unit Owners called by the initial Condominium Board to elect a new Condominium Board.

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

"Fitness Facility" shall refer to that certain fitness facility located on portions of the Lower Level, Ground Floor, and Third Floor within the Fitness Facility Unit.

"Fitness Facility Unit" shall refer to that certain Base Unit which Developer initially intends will contain a fitness facility located on portions of the Lower Level, Ground Floor, and Third Floor.

"Fitness Facility Operator" shall refer to that certain operator for the Fitness Facility from time to time. Sponsor initially anticipates the Fitness Facility Operator will be an affiliate of Equinox Holdings Inc., an affiliate of Sponsor.

"Floor Area Development Rights" shall mean the rights, as determined in accordance with the Zoning Resolution, appurtenant to a zoning lot, to develop such zoning lot by erecting thereon a structure or structures with a total zoning floor area determined by multiplying the area of such zoning lot by the basic maximum allowable floor area ration for structures in the zoning district in which such zoning lot is located and the inclusion of any available additional floor area and any use, bulk, density and other development rights permitted under the Zoning Resolution which may be authorized to be developed by the appropriate agency of the City of New York.

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

"Garage Units" refers to the approximately one hundred and one (101) parking spaces located in the Garage Units. To the extent that Developer has applied for and receives a special permit to increase the number of parking spaces in the Garage Units to 210 parking spaces, the Garage Units shall include any and all additional parking spaces.

"General Common Charges" refers to assessments payable to the Condominium Board for the purpose of meeting General Common Expenses, as more particularly defined in the Declaration.

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

"General Common Expenses" refers to costs and expenses incurred or projected in connection with the Maintenance of the General Common Elements and the provision of services and facilities for all Unit Owners, as more particularly defined in the Declaration.

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

"High Line" refers to an unused elevated railway which runs 1.45 miles, and spans twenty-two (22) city blocks, from 34th Street to Gansevoort Street.

"High Line Access Easement" shall refer to the easement granting access from the street to the High Line for use by the public in the event the High Line is converted.

"High Line Amenity" shall mean that the elevator and stairways and public space (including the restroom) utilized for the High Line Access Easement with direct access to the street for use by the public in the event the High Line is converted.

"High Line Restrictive Declaration and Access Easement" shall refer to that restrictive declaration and easement to be entered into by Developer and filed and recorded in the Office of the Register of the City of New York with respect to the Property.

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

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

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

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

"New York City High Line Easement" shall refer to that access easement granted by Developer to the City of New York dated as of November 4, 2005 which allows an exclusive, perpetual right of way across a portion of the property as may be reasonably necessary to

develop, reconstruct, replace, improve, operate, maintain, repair and use the High Line in accordance with the New York City High Line Easement.

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

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

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

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

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

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

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

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

"Rental Amenities" refers to the Rental Party Room and Terrace on Floor 10 for use by residents of Rental Apartments.

"Rental Apartment(s)" refers to those 288 rental apartments located in the Rental Unit which may initially be offered for rental use.

"Rental Common Element" refers to Common Elements, which serve or benefit exclusively the Rental Apartment residents, as more particularly described in the Declaration.

"Rental Section" refers to the Rental Unit and the Rental Common Elements.

"Rental Unit" refers to the Base Unit which contains the Rental Apartments, Storage Bins and/or Bicycle Storage, valet room, Residents' Fitness Lounge, management offices and accessory spaces, if and to the extent Developer in its sole discretion constructs same.

"Residential Amenities" shall include those amenities available for the use of Residential Permitted Users (except as otherwise set forth herein), and shall include the private Residents'

Fitness Lounge (usage of same as set forth herein), children's playroom, the Pet Spa, the Business Center and the Landscaped Courtyard on Floor 3.

"Residential Common Charges" refers to amounts payable to the Condominium Board by Unit Owners for the purpose of meeting the cost of the Residential Common Expenses, as more particularly defined in the Declaration.

"Residential Common Elements" refers to those Common Elements, which serve or benefit exclusively the Residential Section, as more particularly described in the Declaration.

"Residential Common Expenses" refers to the costs and expenses incurred by the Condominium Board or projected in connection with the operation and Maintenance of certain Tower Common Elements (including but not limited to hallways), the Residential Common Elements, certain Rental Common Elements (including but not limited to hallways) or in connection with any services or facilities exclusively benefiting the Residential Section or the Tower Unit Owners or Rental Apartment residents, including but not limited to the cost of operating the Residents' Fitness Lounge during the term of the Residents' Fitness Lounge Agreement, as the same may be extended, (including without limitation the Residents' Fitness Elevator, and Residents' Fitness Concierge) as more particularly defined in the Declaration.

"Residential Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage appurtenant to each of the Tower Units and the Rental Apartments and which is the basis of determining a Unit Owner's liability for a share of the Residential Common Expenses.

"Residential Permitted Users" refers to Rental Apartment residents (with permission from the Rental Unit Owner) and Tower Unit Owners and their tenants as the permitted users of certain amenity space within the Condominium.

"Residential Section" refers to the Tower Section and the Rental Section and the Residential Common Elements.

"Retail Unit" refers to that portion of the Building located on portions of the Ground Floor and Lower Level of the Building, to be utilized for retail or other commercial use.

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

"Satellite License" shall mean that license granted pursuant to the ZLDA, to West 16th LLC to install, at West 16th LLC's sole cost and expense, up to two (2) satellite dishes, the exact location of which shall be approved and designated by Sponsor, in its sole discretion, not to exceed 18" in diameter each on the roof of the Building.

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

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

"Section" refers to the Residential Section, the Rental Section, the Commercial Section or the Base Section. All of such Sections are collectively referred to as "Sections."

"Selling Agent" refers to Related Residential Sales, LLC, or any successor selling agent at the time in question.

"Sponsor" refers to 450 West 17th Associates LLC, a New York limited liability company, and its successors and assigns.

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

"Terrace" refers to Terraces and/or roof gardens and/or deck houses appurtenant to certain Tower Units or Rental Apartments.

"Tower Amenities" shall include those amenities available for the use of Tower Unit Owners, and shall include the Tower Entertainment Lounge, sundeck and outdoor garden located on Floor 14.

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

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

"Tower Common Expenses" refers to the costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the certain Tower Common Elements, including two (2) elevators and the Tower Entertainment Lounge, Sundeck and Outdoor Garden on Floor 14, and the Tower Limited Common Elements as more particularly defined in the Declaration.

"Tower Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage which is apportioned in the same proportion that the General Common Interest of such Tower Unit bears to the aggregate General Common Interests of all Tower Units and which is the basis of determining a Tower Unit Owner's liability for a share of the Tower Common Expenses.

"Tower Limited Common Elements" refers to those Common Elements, which serve or benefit exclusively one (1) or more but not all the Tower Units and/or the Tower Unit Owners including, but not limited to the Terrace and/or Balcony appurtenant to certain Tower Units, as more particularly defined in the Declaration.

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

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

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

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

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

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

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

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

"ZLDA" shall refer to that certain zoning lot development agreement entered into between 437 West 16th Street LLC as Owner and Developer.

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Construction of the Building

The Land is situated on a parcel located between West 17th Street on the north, West 16th Street on the south, 9th Avenue on the east and 10th Avenue on the west in the Borough of Manhattan.

The Building contains a Base Section, consisting of the Base Units (including but not limited to the Commercial Section, Rental Section, and the Base Limited Common Elements, if any), and a Tower Section consisting of the Tower Units, the Tower Common Elements and Tower Limited Common Elements. The Rental Section is comprised of the Rental Unit and the Rental Common Elements. The Residential Section is comprised of the Tower Section and the Rental Section and the Residential Common Elements.

The Building, including the individual Units therein, will be substantially completed in accordance with the Plans and Specifications and all applicable zoning and building Laws and other government requirements. Developer is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan

Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any particular Unit Owner and work, if any, which Sponsor agrees to perform in individual Tower Units at the request of Purchasers or Tower Unit Owners, the Tower Units will be substantially completed by July 1, 2008, the Building will be substantially completed by September, 2008 and a first Temporary Certificate of Occupancy with respect to portions of the Building will be obtained on or about June 1, 2008 both subject to Unavoidable Delays. Neither Sponsor or Developer, however, warrant or guarantee the foregoing completion or occupancy dates for the Building due to Unavoidable Delays. The first Temporary Certificate of Occupancy may be issued for some but not all of the Tower Units and Developer may complete construction of certain Tower Units before others. Accordingly, Purchasers should be aware that they may be required to close title to their Tower Units while construction in other Units is continuing, possibly, for extended periods of time. Moreover, the proposed development of the High Line and the various rights and obligations of the Developer and other parties under the High Line Restrictive Declaration and Access Easement (all as more particularly described in Special Risk 41 of the Plan) may further delay completion of the Retail Units and the Garage Units and other portions of the Building and may generate noise, dust and other objectionable conditions and other objectionable conditions inherent in a construction site may inconvenience Tower Unit Owners long after they have taken occupancy of their Tower Units.

Neither Sponsor nor Developer make any representations or warranties regarding building construction in the area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Tower Unit. Sponsor does not own any adjacent parcels. In addition, a number of projects in which neither Sponsor nor Developer has an interest may be ultimately constructed in the West Chelsea Special

District including the lots along the High Line. Neither Sponsor nor Developer make any representations or warranties regarding such projects or the implications of the construction of same.

Developer has engaged Handel Architects LLP ("Sponsor's Architect") as architects for the Building, I.M. Robbins as mechanical, electrical and plumbing engineers of the Building and Cantor Seinuk as structural engineer of the Building. Construction of the Building is being financed by New York State Housing Finance Agency, PB Capital Corporation, and Landesbank Baden-Württemberg, New York Branch for itself and as agent for any other lenders who participate in the construction loan (the "Construction Lender"), which financing is secured by, among other things, mortgages and security agreements (collectively the "Construction Loan"). Sponsor's offer to sell the Tower Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR. Under the terms of the regulations, Sponsor may not declare the Plan effective until Agreements are signed by bona fide purchasers for fifteen percent (15%) of the Tower Units offered under the Plan.

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

Tower Units

Subject to the rights of Sponsor and the owner of any Unsold Tower Unit to change the number of Tower Units, there will be a total of 190 Tower Units situated on Floors 10 through 26/Penthouse of the Building. Descriptions of the Tower Units are set forth in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A, "Prices of Units and Related Information" for further details.

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

Included in the sale of each Tower Unit are the following: refrigerator/freezer, kitchen cabinets, microwave, gas range, oven, automatic dishwasher, stacked or side-by-side washing machine and ventless dryer and individually controlled heating and cooling units. The manufacturer, model number and specifications for the foregoing appliances and equipment are set forth in the "Description of Property." As more fully set forth under the Section entitled

"Description of Property and Improvements" under the Subsection entitled "Construction of the Building," these fixtures, appliances and equipment are subject to change by Sponsor. Sponsor may negotiate to make modifications or changes in any Tower Unit or to do special work therein or to provide different or additional appliances, equipment, furnishings or decorations, provided that Sponsor shall not be bound to do so unless agreed to by Sponsor in a written instrument which is incorporated as an addendum to the Agreement.

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

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

Resident Manager's Apartment

At or subsequent to the First Closing, Developer will lease a Rental Apartment located in the Rental Unit in the Condominium to the Condominium Board, to be used as the Resident Manager's residence (the "Resident Manager's Apartment"). The lease for the Resident Manager's Apartment will be for a five (5) year period beginning as of the First Closing. The Condominium Board shall be responsible for all costs and expenses attributable to the use and occupancy of the Resident Manager's Apartment (including, without limitation, rent charged by the Rental Unit Owner, at a market rent commensurate with the fair market value of comparable Rental Apartments, insurance premiums and utilities, such market rent to be adjusted annually) and such costs and expenses shall be a Residential Common Expense as more particularly set forth in Schedule B, "Projected Budget for First Year of Condominium Operation." There is no guarantee that the Rental Unit Owner will continue to make the Resident Manager's Apartment available for use by the Condominium Board beyond the aforementioned five (5) year period, and if the Rental Unit Owner does so make the Resident Manager's Apartment available, no representations are made regarding the rental or use and occupancy which will be charged by the Sponsor therefor. In the event that after five (5) years the Developer does not make the Resident Manager's Apartment available for the use by the Resident Manager, there may be no apartment in the Building for use of the Resident Manager, in which event: (i) the Condominium Board must employ a superintendent for the Building who will be provided with an apartment within a distance of one block or two hundred feet from the Building or (ii) the New York City Housing Maintenance Code will require that the Condominium Board employ a twenty-four hour a day

janitorial service. The Condominium Budget for the First Year of Condominium Operation, includes expenses for the Resident Manager and the Resident Manager's Apartment.

Terrace and/or Balconies

As indicated in Schedule A, Terraces and/or Balconies are appurtenant to certain Tower Units and are included in the purchase prices therefor. These Terraces and/or Balconies are Tower Limited Common Elements. A Tower Unit Owner who has a Terrace and/or Balcony appurtenant to such Unit Owner's Tower Unit shall have the exclusive use of same, subject to the right of the Condominium Board to access the Terrace and/or Balcony and to regulate its use (as more particularly described in the Declaration and By-Laws), and shall be responsible for all normal Maintenance thereto. However, the costs and expenses of any structural repairs or repairs or replacements, including repair or replacement to the surface of any Terrace and/or Balcony (unless caused by its Tower Unit Owner) shall be charged to all Tower Unit Owners as a Tower Common Expense. Terraces and/or Balconies appurtenant to certain Rental Apartments, as described in Schedule A and the Floor Plans set forth in Part II of the Plan, will be Rental Common Elements, and the Rental Unit Owner shall be responsible for all normal maintenance, repairs and replacements to the Terrace and/or Balcony appurtenant to any such Rental Apartment, including the costs and expenses of any structural repairs or repairs or replacements.

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

Base Unit

As more particularly described in the Section of the Plan entitled "Base Unit," in the Declaration and the "Description of Property," the Base Section will be situated on portions of the Lower Level, Ground Floor, Mezzanine Level, and Floors 3 through 10 of the Building. The Base Unit will be initially comprised of five (5) Base Units consisting of one (1) Rental Unit, consisting of two hundred eighty-eight (288) Rental Apartments, a party room and terrace located on Floor 10, a management office on the Ground Floor, the Residents' Fitness Lounge and Residents' Fitness Elevator, Equipment Storage and Supply Room located on the Lower Level, a service valet room and Bicycle Storage and/or Storage Bins on the Ground Floor or Lower Level and other ancillary spaces, one (1) Retail Unit, one (1) Fitness Facility Unit and two (2) Garage Units. Developer has applied for a special permit to permit the Developer to create 210 parking spaces in the Garage Units. The Base Units will initially be retained by the

Developer. The Base Units will include space that may be utilized for any purposes permitted by Law, including, without limitation, use as residential, restaurants, banks, parking, retail stores, storage or commercial and professional offices. There are no limits upon the uses to which the Base Units or any portion thereof; provided however, that the Base Units must be used in accordance with law. The use of the Base Units may generate noise, traffic, fumes or other disturbances over which the Tower Unit Owners will have no control and may find objectionable. The use of the Base Units may include usage at such hours and upon certain days of the year over which the Tower Unit Owners will have no control and may find objectionable.

The Condominium Board will have no right to restrict or limit the method of operation or of any uses of the Base Units which are permitted by Law. All or any part of the Base Units may be leased or subleased by the Base Unit Owners, all as more fully set forth in the Declaration. The Base Units, or any portion thereof, may be sold without prior notice. The Plan must first be amended should the Base Units be offered for sale. The Base Units may be divided by the Base Unit Owner thereof. (See the Section entitled "Changes in Prices and Units"). The Tower Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any space in the Base Units.

The Base Unit Owners shall have the right, without the consent of the Condominium Board, and at its sole cost and expense, to alter, modify, restore or construct the exterior facade and storefronts of the Building up to Floor 3 and Base Unit Façade on Floor 3 of the Building and to create additional means of egress and ingress provided that such alterations, modifications, restoration or construction are in compliance with applicable Law and do not affect the structural integrity of the Building. The Sponsor and the Base Unit Owners also have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by Law. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law.

Construction of the Base Units is being financed in part, with the issuance of tax exempt and taxable bonds by the New York Housing Finance Agency. Developer will seek a letter of credit as the credit enhancement for the bonds under the "80-20 Program" pursuant to which eighty percent (80%) of the Rental Apartments will be market rate and twenty percent (20%) will be reserved for families earning no more than fifty percent (50%) of area median income for the New York standard metropolitan statistical area as adjusted for household size as determined by the U.S. Department of Housing and Urban Development (the Median Income"). All or a portion of the twenty percent (20%) of the Rental Apartments may be included in the Inclusionary Housing Program. For 2006, such Median Income is $70,900 for a family of four. It is anticipated that occupancy of the Rental Apartments will commence on or about the First Closing although neither Sponsor or Developer make any representation regarding the timing of such occupancy.

No representation is made with respect to the continued ownership by Developer of all or any portion of the Base Units or as to who the tenants or residents of any portion of the Base Units may be at any time or as to the uses to which any portion of the Base Units may be put at any time (except that the Base Units may be used for any lawful purpose or as otherwise limited

by the Plan). The use of the Base Units may generate noise or other disturbances over which the Tower Unit Owners will have no control.

General Common Elements

The General Common Elements are comprised of and include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings, beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed concrete structural members of those walls from the Floor 3 floor slab and below, (c) corridors and all fire staircases, landings and stairs, Floor 3 floor slab and below unless part of a Unit or other Common Element; (d) meter rooms, electrical rooms, fuel oil tank room, gas meter room, pump room, boiler room, telephone room, and domestic hot water room; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving both the Residential Section and the Commercial Section, which are not Residential Common Elements, Tower Common Elements, Tower Limited Common Elements, Rental Common Elements, Commercial Common Elements, Base Limited Common Elements, if any or part of any Unit; (g) the roofs over the top floor of the Building; (h) the water tower; and (i) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, Maintenance or safety of both the Base Section and the Tower Section and which are not owned by another entity such as the supplier, servicer or installer of the systems; (j) the High Line Amenity located on the Ground Floor and Lower Level and Floor 3; and (k) the cooling tower on the roof servicing the Building. A detailed description of the General Common Elements is set forth in the Declaration.

Residential Common Elements

The Residential Common Elements are comprised of and include, among other things the following: (a) service Elevator Number 1 (including its shafts, pits, machinery and appurtenant facilities); (b) the Residential Section lobby including the library lounge appurtenant thereto (the "Assouline Culture Lounge and Browsing Library"), hallways and the entrances, and mailroom on the Ground Floor of the Building; (c) the compactor rooms and refuse chutes located on the Ground Floor; (d) the Business Center; (e) men's and women's locker rooms for the Residential Section staff located on the Lower Level; (f) Resident Manager's Workshop, office and janitorial supply room located on the Lower Level; (g) the Pet Spa located on the Ground Floor (h) the children's playroom located on Floor 3; (i) the package room located on the Ground Floor; (j) the landscaped courtyard located on Floor 3; (k) columns, girders, concrete floor slabs and ceilings, beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed concrete structural members of those walls, starting above the Floor 3 floor slab and through the main roof; (l) all corridors and all fire staircases, landings and stairs starting above the Floor 3 floor slab and through the main roof; (m) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, Maintenance or safety of the Residential Section and which are not owned by

another entity such as the supplier, servicer or installer of the systems; (n) the Façade above the Floor 3 slab and the Façade enclosing any Residential Common Element; (o) electric panels, closets, feeders and risers serving the Residential Section; (p) the windows in the Residential Section; and (q) the fireplace flue servicing the Residential Section.

Tower Common Elements

The Tower Common Elements are comprised of and include, among other things the following: (a) passenger elevator number C1 and passenger elevator number C2, and (including their shafts, pits, machinery and appurtenant facilities); (b) the tower entertainment lounge, sundeck and outdoor garden on Floor 14 of the Building; (c) passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Tower Section; (d) all mechanical space and other rooms, areas and spaces located in the Building serving exclusively the Tower Units, the Tower Common Elements and the Tower Limited Common Elements; and (e) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit exclusively the Tower Units and which are not owned by another entity such as the supplier, servicer or installer of the systems. A detailed description of the Tower Common Elements is contained in the Declaration.

Tower Limited Common Elements

The Tower Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Tower Unit Owners. At the present time the Tower Limited Common Elements consist of the Terrace and/or Balcony appurtenant to certain Tower Units.

Commercial Common Elements

Generally, the Commercial Common Elements include, among other things, other than the General Common Elements, the Residential Common Elements, Tower Limited Common Elements, Rental Common Elements, and Base Limited Common Elements, if any, the following: (a) stairways for the exclusive use of the Base Units that are not Rental Common Elements; (b) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits, and lines) which serve or benefit exclusively the Base Units or the Base Unit Owners that are not Rental Common Elements; (c) that portion of the exterior façade of the Building designated as Base Façade on the Elevations including, without limitation, all windows, storefronts, skylights, door assemblies and related and similar installations in the Exterior Façade of the Building exclusively opening into the Base Unit and that is not a Residential Common Element or Rental Common Element; (d) central and appurtenant facilities for services such as heating, cooling, venting, air-conditioning, communications, security, lighting, plumbing, electrical work, and fire safety which exclusively serve the Base Units but are not located within the Base Units and that are not a Residential Common Element or Rental Common Element; (e) all Signs, canopies, marquees and similar items affixed to the Building and exclusively serving the Base Units; (f) all other Common Elements exclusively serving the Base Units and that are not Rental Common Element; and (g) any passenger elevator or elevators exclusively servicing the Base Units (including their shafts, pits, machinery

and appurtenant facilities) that are not Rental Common Elements. The Base Unit Owners will have the right to grant easements permitting access between any Commercial Common Element or other portion of the Base Section and any property adjoining the Land, including the right to penetrate any General Common Elements, Residential Common Elements and Commercial Common Elements located between the Base Units and such adjoining property, provided such penetration does not materially weaken the structural soundness of the Building.

Rental Common Elements

The Rental Common Elements are comprised of and include, among other things the following: (a) passenger elevator number R1, R2, R3 and R4 (including their shafts, pits, machinery and appurtenant facilities); (b) Terraces and/or Balconies appurtenant to certain Rental Apartments; (c) the recreational area on Floor 10 of the Building, which consists of a party room and Terrace; (d) passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Rental Section; (e) all mechanical space and other rooms, areas and spaces located in the Building serving exclusively the Rental Unit and the Rental Common Elements; and (f) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit exclusively the Rental Unit and which are not owned by another entity such as the supplier, servicer or installer of the systems.

Services and Facilities

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

a. Doorman/Concierge

It is anticipated that a uniformed doorman/concierge will be on duty at the Lobby of the Residential Section twenty-four (24) hours a day, seven (7) days a week, to assist those arriving and departing.

b. Elevator Service

Two (2) automatic passenger elevators will be in service, twenty-four (24) hours a day, seven (7) days a week, for the use of Tower Unit Owners. Four (4) automatic passenger elevators will be in service, twenty-four (24) hours a day, seven (7) days a week, for the use of Rental Apartment residents. Service elevator number SE1 shall be available for the use of all Residential Permitted Users as a service elevator. In addition, one (1) automatic passenger elevator will be in service during the hours that the Fitness Facility and Residents' Fitness Lounge are open, for the use of Residential Permitted Users (except as otherwise set forth herein) as the Resident Fitness Elevator.

c. Cable Television Service

It is anticipated that cable television will be available for the use of the Tower Unit Owners. The charges for primary connections and subsequent monthly fees related to the service will be determined by, and payable directly to the cable company. Sponsor makes no

representation that cable television service will be available to any Tower Unit Owner upon its initial occupancy of a Tower Unit. Sponsor, Developer or the Condominium Board may enter into an agreement with a cable company (the "Cable Company"), granting the Cable Company the right to install wires, cables and other components of its system (the "Cable Facilities") in the Building's internal conduit system and granting the Cable Company an easement for the installation, repair or replacement of the Cable Facilities and certain rights to relocate the Cable Facilities which shall remain the property of the Cable Company (the "Cable Agreement"). In the event Sponsor or the Condominium Board enters into the Cable Agreement, the Condominium will be subject to and bound by the terms thereof.

d. Electrical Systems and Telephone Service

Electrical service will be provided to Tower Unit Owners by Con Edison or such other utility company. The charges for electricity consumed by each Tower Unit Owner will be separately metered and billed directly to such Tower Unit Owner by the utility provider. The charges for electricity consumed in the Residential Common Elements, the Tower Common Elements and the Rental Common Elements, and the Residents' Fitness Lounge and Residents' Fitness Elevator during the term of the Residents' Fitness Lounge Agreement, as same may be extended, will be metered and billed to the Condominium Board as a Residential Common Expense and will be allocated to all Unit Owners according to Residential Common Interest. The charges for electricity consumed by the Commercial Section will be separately metered and billed directly to the Base Unit Owners, or their tenants, as the case may be. Local and long distance telephone service (both land and cellular) can be provided by Verizon or other telephone service provider. Sponsor makes no representations or guarantees regarding telephone reception or the availability of cellular service.

e. Mail

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

f. Laundry

Each Tower Unit will contain a stacked or side-by-side washer and ventless dryer.

g. Refuse Disposal

There will be one (1) refuse chute serving the Tower Units leading directly to the refuse room located on the Ground Floor.

h. Fitness Facility

In addition to the Residential Amenities, within the Fitness Facility Unit, there will be a fitness facility ("Fitness Facility") located on portions of the Lower Level, Ground Floor, and Third Floor. Sponsor anticipates that the Fitness Facility will initially be operated by an operator (the "Fitness Facility Operator"). Sponsor anticipates that Developer will enter into a lease with an affiliate of Equinox Holdings Inc., an affiliate of Sponsor ("Equinox") for the Fitness Facility Unit (the "Equinox Lease"). Under the terms of the Equinox Lease, Equinox

will be the initial Fitness Facility Operator. Please refer to the Section entitled "Base Units" in Part I of the Plan for further details regarding the Equinox Lease.

The Fitness Facility will initially contain cardiovascular equipment, strength training equipment, group fitness areas, stretch areas, spa, men's and women's locker rooms, cycling studio, pro shop, and a yoga area. The Tower Bulk Memberships and the Discount Rate memberships shall only entitle the member to use of the Fitness Facility as a so-called "Select Member". Any and all fee-based products, services or amenities will be available to such members on a full-rate basis. If any resident of a Tower Unit is a member of the Fitness Facility and wants to purchase membership to the Equinox portfolio of fitness clubs ("All-Access Membership"), such resident shall only be obligated to pay the incremental difference between the full monthly cost of a membership at the Fitness Facility and the full monthly cost of an All-Access Membership. Such incremental fee shall be paid directly to Equinox in a single payment in advance. If a resident of at Tower Unit is already a member of the Fitness Facility or is an All-Access member of Equinox and had previously pre-paid dues thereunder, the unused portion of the pre-paid fees will be refunded to such resident upon receiving any membership hereunder. Provided, however, that any initiation fee previously paid shall not be reimbursed.

The Fitness Facility will be open on weekdays from approximately 6:00 a.m. to 10:00 p.m. Monday through Thursday, 6:00 a.m. to 9:00 p.m. Friday through Sunday, subject to closure or as otherwise determined by the Fitness Facility Operator.

As noted above, the Fitness Facility Operator will be a commercial tenant of the Fitness Facility Unit Owner. The Fitness Facility Operator will be responsible for all costs associated with the Fitness Facility and may allow access to the Fitness Facility by non-resident members in addition to Residential Permitted Users (with regards to the Tower Unit Owners, pursuant to the terms of the Tower Fitness Facility Agreement, as described below).

Sponsor will enter into an agreement (the "Tower Fitness Facility Agreement") with the Fitness Facility Operator to provide memberships to Tower Unit Owners. Under the terms of the Tower Fitness Facility Agreement, which will be assigned to the Condominium Board prior to the First Closing, for a period of five (5) years from the First Closing, the Tower Unit Owners will receive memberships to the Fitness Facility Unit. Each zero-bedroom Tower Unit will receive one (1) membership to the Fitness Facility and all other Tower Unit Owners will receive two (2) memberships to the Fitness Facility, a total of approximately three hundred forty-eight (348) memberships. These memberships ("Tower Bulk Memberships") will entitle the Tower Unit Owner (or a tenant or full-time non-Owner resident of the Tower Units) to use the Fitness Facility (and no other Equinox facilities) for the Initial Term, without paying any membership fees whatsoever, including any initiation or annual dues. The Tower Bulk Memberships shall be non-transferable, other than to new residents of such Tower Unit. If a Tower Unit Owner combines more than one Tower Unit into a single Tower Unit, the number of Tower Bulk Memberships shall be calculated as if such Tower Units had not been combined.

In consideration for the Tower Bulk Memberships, Caledonia will pay to Equinox an annual fee (the "Fee") for the Initial Term. The Fee will be in an amount equal to a fifty-eight percent (58%) discount off the annual dues for any given year in the Initial Term for each of the Tower Bulk Memberships. The annual dues are defined as the lesser of (a) twelve times the

prevailing monthly dues charged by Equinox to its members for use of the Fitness Facility, and (b) the fixed sum (the "Annual Dues"). The Annual Dues shall be recalculated upon each anniversary of the commencement of the Initial Term for all Tower Bulk Memberships, regardless of the date upon which the Tower Unit to which the Tower Bulk Membership closed. The fixed sum will be $1,527 per annum ($127 per month) for calendar year 2005 and will thereafter increase annually by one and a half percent (1.5%) (the "Fixed Sum"). Prior to the initial sale by the Sponsor of all Tower Units, the Fee will be reduced on a pro rata basis based on the actual Tower Units which have closed. One twelfth ($1/12^{th}$) of the Fee will be paid monthly during the Initial Term (and will be paid by the 23^{rd} day of the month preceding the month to which such payment relates) and recalculated monthly until all of the Tower Units have been sold. The Fee will be a Tower Common Charge and allocated solely to the Tower Units according to Tower Common Interest. The annual Fee for the first year is estimated to be approximately $229,932 based on 2005 membership rates, escalated by 1.5% per year for 2 years. After the Initial Term, each occupant of a Tower Unit will be entitled to receive the Discount Rate (as defined below) on its annual membership dues (and any initiation fee shall be waived). In addition to the Tower Bulk Memberships, during and after the Initial Term, full-time residents in the Tower Units may obtain additional memberships for residents in the Fitness Facility (and not for other Equinox facilities) without paying any initiation fee, and will receive a discount at a rate equal to fifteen percent (15%) of the prevailing monthly dues charged by Equinox for use of the Fitness Facility (the "Discount Rate"). Refer to the Tower Fitness Facility Agreement for more details.

The Fitness Facility Operator will charge additional fees for massage, personal training, consulting, nutritional counseling, etc.

Sponsor makes no guarantee the Fitness Facility will remain open during the term of the Equinox Lease or that the Fitness Facility Operator will perform its obligations thereunder or under the Tower Fitness Facility Agreement. Further, Sponsor makes no guarantee the Fitness Facility will remain open after the termination of the term of the Equinox Lease.

i. <u>Residents' Fitness Lounge</u>

On Floor 3, as part of the Rental Unit, there will be a Residents' Fitness Lounge ("Residents' Fitness Lounge"). The Residents' Fitness Lounge is planned to have a seating area, television, reading material, and a private elevator ("Residents' Fitness Elevator") which will transport residents to the Fitness Facility. The Residents' Fitness Lounge shall be for usage by only those persons who are also a member of the Fitness Facility. It is the current expectation that the Residents' Fitness Lounge will be staffed by a "Residents' Fitness Concierge" during certain times to provide a private check-in area for the Fitness Facility as well as assist residents with access to, information on, and programs at the Fitness Facility. Neither Developer nor Sponsor make any guarantee that a Fitness Concierge will be provided. For a period of five (5) years from the First Closing (the "Residents' Fitness Lounge Agreement Initial Term"), Tower Unit Owners shall have the right to use the Residents' Fitness Lounge pursuant to an agreement to be entered into between the Condominium Board and the Rental Unit Owner (the "Residents' Fitness Lounge Agreement"). In accordance with the terms of the Residents' Fitness Lounge Agreement, the cost of operating the Residents' Fitness Lounge during the term of the Residents' Fitness Lounge Agreement, (including without limitation the Residents' Fitness Elevator, and

Residents' Fitness Concierge) will be a Residential Common Charge and allocated to Unit Owners according to Residential Common Interest. After the Residents' Fitness Lounge Agreement Initial Term, for as long as the Rental Unit Owner, in its sole discretion, elects to continue to use the Lounge as a Residents' Fitness Lounge, this agreement shall automatically extend beyond the Residents' Fitness Lounge Agreement Initial Term, provided, however, that at any time after the end of the Residents' Fitness Lounge Agreement Initial Term, the Board may elect to terminate this Residents' Fitness Lounge Agreement on not less than sixty (60) days prior written notice. Upon the expiration of this Residents' Fitness Lounge Agreement including any extension, neither party shall have any further rights or obligations with respect to the Lounge with respect to the period from and after such expiration and all costs associated with the Lounge from and after such expiration will be paid by the Rental Unit Owner. Notwithstanding the foregoing, upon expiration of this Residents' Fitness Lounge Agreement, to the extent that the Rental Unit Owner, in its sole discretion, elects to continue to use the Lounge as a Residents' Fitness Lounge, the Rental Unit Owner shall make the Lounge available to any Tower Unit residents who are also members of the Fitness Facility and request use thereof, provided such Tower Unit residents pay to Rental Unit Owner a fee for the use thereof as determined by Rental Unit Owner.

j. Recreation Areas

Recreation areas for use by Residential Permitted Users (except as otherwise set forth herein) are located on the Ground Floor and Floor 3 and include a Residents' Fitness Lounge, indoor children's playroom, a pet spa, business center, and an outdoor landscaped courtyard (the "Residential Amenities"). As part of the Residential Amenities, there will also be a Assouline Culture Lounge and Browsing Library appurtenant to the Lobby. Residents of Tower Units will also have use of the Tower Entertainment Lounge, Sundeck and Outdoor Garden on Floor 14 (the "Tower Amenities"). Upon the conveyance of a Tower Unit by Sponsor, the Purchaser thereof will have the right to use the Residential Amenities and Tower Amenities, subject to the terms of the Offering Plan, Declaration and the By-Laws and to any rules and regulations promulgated from time to time by the Condominium Board. The Rental Party Room and Terrace on Floor 10 is for use by residents of Rental Apartments (the "Rental Amenities").

Children's Playroom

This facility shall be located on Floor 3. It is available for use by children of Residential Permitted Users accompanied by a responsible adult during such hours as may be determined by the Condominium Board and subject to such other rules and regulations as may be promulgated from time to time by the Condominium Board.

Landscaped Courtyard

This area shall be located on the Third Floor and is available for the enjoyment of Residential Permitted Users, subject to such rules and regulations as may be promulgated from time to time by the Condominium Board.

Rental Party Room and Terrace

This area shall be located on Floor 10, shall include seating and a private terrace and is available for the enjoyment of Rental Apartment residents, subject to such rules and regulations as may be promulgated from time to time by the Condominium Board.

Tower Entertainment Lounge, Sundeck, Outdoor Garden

This area shall be located on Floor 14, shall include seating and a private terrace and is available for the enjoyment of Tower Unit Owners, subject to such rules and regulations as may be promulgated from time to time by the Condominium Board.

Pet Spa

This area shall be located on the Ground Floor and shall include pet grooming equipment for the use of Residential Permitted Users, subject to such rules and regulations as may be promulgated from time to time by the Condominium Board.

Business Center

This area shall be located on Floor 3 and is available for the enjoyment of Residential Permitted Users, subject to such rules and regulations as may be promulgated from time to time by the Condominium Board.

Bicycle Storage

To the extent that Developer constructs same to be located within and a part of the Rental Unit, there will be a bicycle storage room available for the use of Residential Permitted Users on the Lower Level or Ground Floor of the Building (the "Bicycle Room") which will include facilities for the storage of individual bicycles (hereinafter referred to as "Bicycle Racks"). Developer, in Developer's sole discretion, reserves the right to move all or any portion of the Bicycle Room and/or to increase or decrease the number of Bicycle Racks. It is currently anticipated that the Rental Unit Owner will charge for the use of each Bicycle Rack. The Rental Unit Owner has the right to modify fees for the use of the Bicycle Racks and to establish rules and regulations relating to the use of the Bicycle Room and Bicycle Racks. Neither the Condominium Board nor the Rental Unit Owner shall be liable for any theft or damage to any bicycles or other objects stored in the Bicycle Room, unless due to the gross negligence of the Condominium Board or the Rental Unit Owner. The Bicycle Room and the Bicycle Racks will be unattended and Residential Permitted Users will store bicycles in the Bicycle Room at such Residential Permitted User's own risk. Use of the Bicycle Room is subject to such rules and regulations as may be promulgated from time to time by the Rental Unit Owner, including restriction on hours of operation and the use thereof by persons under a certain age.

k. Personal Assistant Service

Sponsor will enter into a contract (the "Personal Assistant Contract") for personal assistant services (the "Personal Assistant Service") to be provided to Tower Unit Owners as of the First Closing. The term of the Personal Assistant Contract will be twelve (12) months

commencing with the First Closing. Sponsor will bear the entire cost for the Personal Assistant Contract during the first year of Condominium operation. The Personal Assistant Services can help with a broad range of services including restaurant reservations, theater ticket bookings and personal appointment arrangements and can assist in finding service providers for everything from organizers and party planners to personal shoppers and personal trainers. Sponsor does not anticipate there will be any additional charge for the making of such reservations, arrangements and recommendations. Tower Unit Owners are solely responsible for the cost of services arranged for them by the Personal Assistant Services. Upon the termination of the Personal Assistant Contract, Purchasers shall have the right, at their sole option and expense, to individually renew their membership with the Personal Assistant. Further, Tower Unit Owners shall have the right to negotiate and execute a new Personal Assistant Contract at the end of the initial term, with either the current vendee, or another vendee, in their sole discretion, by Majority vote. Sponsor, in its sole discretion and at its sole cost and expense, reserves the right to terminate the Personal Assistant Contract and enter into an alternative service contract for concierge service and related services with a comparable company.

General

All determinations with respect to the continuance of any of the foregoing services, if initially made available, which may be made by the Condominium Board, will be made by the Developer, which will control the Condominium Board. Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property.

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

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

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

LOCATION AND AREA INFORMATION

Location and Services

The Condominium is located in the Chelsea section of the City of New York, with frontage on 16th and 17th Street, as well as 10th Avenue. The Building is situated within a vibrant and diverse neighborhood, and uses in the immediate vicinity are predominantly residential and commercial usage. Buildings located to the North are mixed use, and include retail, commercial and residential usage; buildings located to the East are primarily residential with some office and retail usage; buildings to the South are mixed use and include retail and commercial usage; and buildings to the West are mixed use and include offices, self-storage and parking. This mixed use neighborhood includes loading docks, affordable housing and associated services. Sponsor does not know of any current or proposed usage which a reasonable purchaser in the Chelsea section of the City of New York would find obnoxious.

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

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

The Condominium is served by a variety of transportation facilities. Taxi and limousine service is readily available throughout the city. Municipal bus service for the Condominium area is available on 10th Avenue. Entrances to subway service in the vicinity of the Condominium are located on 8th Avenue and 14th Street for the A, C and E lines, and on 7th Avenue and 14th Street for the 1,2,3 and 9 lines. By automobile, the West Side Highway is connected to Interstate 95 and the Henry Hudson Parkway, both of which are major regional arteries. New York City is serviced by three major airports located within fifteen miles of the Condominium. Kennedy International and LaGuardia Airports are located in New York City and Newark Liberty International Airport is located in Newark, New Jersey.

Numerous boutiques and galleries are located within easy access to the Condominium. The Property is within walking distance of the Chelsea Piers Sports and Entertainment Complex, Hudson River Park, Clement Clark Moore Park and Chelsea Market.

The Condominium may have access to the "High Line" through the public access point in the High Line Amenity. The Building is located adjacent to the High Line, an unused elevated railway which runs 1.45 miles, and spans twenty-two (22) city blocks, from 34th Street to Gansevoort Street, and consists of 6.7 acres of space atop an elevated rail deck measuring 30 to 60 feet wide and 18 to 30 feet high. The High Line is currently owned by the City of New York,

and is not open to the public. Please refer to the Section of the Plan entitled "Special Risks" for further details.

Excellent educational facilities are located in New York City. Stuyvesant High School and PS89 are located in the vicinity. Private schools in the greater New York City area for the grade and high school levels include Friends' Seminary, United Nations, The Trinity School, Bellevue South, Acorn, Dalton, St. Bernard's, Spence Girls' School, and The Buckley School. New York University is located in Greenwich Village and offers programs at both the undergraduate and graduate level. The Condominium is also within easy access to some of the best medical facilities in the New York area, including St. Vincent's Hospital.

Police, fire, water, sanitation and snow removal and road maintenance are provided by the City of New York. The Property is in the 10th Police Precinct with headquarters located at 230 West 20th Street New York, New York and primary fire protection is provided by the N.Y.F.D. Engine 3 located at 146 West 19th Street.

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

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

Zoning and Use

The Property is located in a WCh C6-3 zone. Sponsor makes no representation that the zoning for the Property will not change. Neither Sponsor nor its principals own in whole or in part, nor do they have an option or right to acquire any adjacent areas which are not fully developed.

SCHEDULE A - PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A

450 WEST 17TH STREET
NEW YORK, NEW YORK

OFFERING PRICES & OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES & REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

Unit	Number Bedrooms/ Bathrooms/Alcoves (1)	Approximate Square Footage (1)	Approximate Terrace Sq. Footage	Approximate Balcony Sq. Footage	Offering Price (2)	Tower Section Common Interest (3c)	Residential Common (3b)	General Common (3a)	Projected Monthly Common Charges (4)	Projected Monthly Real Estate Taxes without 421-A Exemption (5)	Projected Monthly Real Estate Taxes with 421-A Exemption (5)	Projected Monthly Common Charges & Real Estate Tax without 421-A	Projected Monthly Common Charges & Real Estate Tax with 421-A
1001	0BR/1BA/ALCOVE	502	240		$725,000	0.3140%	0.1476%	0.1323%	$534.80	$498.12	$17.72	$1,032.92	$552.52
1002	1BR/1BA	732	360		$955,000	0.4591%	0.2159%	0.1934%	$781.98	$728.34	$25.90	$1,510.32	$807.89
1003	1BR/2BA/ALCOVE	948	360		$1,375,000	0.5779%	0.2717%	0.2435%	$984.35	$916.83	$32.61	$1,901.18	$1,016.96
1004	1BR/1BA	600	253		$785,000	0.3695%	0.1737%	0.1557%	$629.41	$586.23	$20.85	$1,215.64	$650.26
1005	1BR/1BA	712	313		$945,000	0.4407%	0.2072%	0.1857%	$750.59	$699.10	$24.86	$1,449.69	$775.45
1006	2BR/2BA	1,228			$1,450,000	0.6713%	0.3156%	0.2828%	$1,143.41	$1,064.97	$37.88	$2,208.38	$1,181.28
1007	2BR/2BA	1,305		133	$1,650,000	0.7358%	0.3460%	0.3100%	$1,253.30	$1,167.33	$41.52	$2,420.63	$1,294.82
1008	1BR/2BA/ALCOVE	827		196	$1,060,000	0.4847%	0.2279%	0.2042%	$825.61	$768.98	$27.35	$1,594.59	$852.96
1009	0BR/1BA/ALCOVE	531			$652,500	0.2904%	0.1366%	0.1224%	$494.66	$460.73	$16.39	$955.38	$511.04
1010	1BR/1BA	636			$720,000	0.3475%	0.1634%	0.1464%	$591.90	$551.30	$19.61	$1,143.20	$611.51
1011	1BR/1BA	643			$720,000	0.3513%	0.1652%	0.1480%	$598.34	$557.30	$19.82	$1,155.64	$618.16
1012	0BR/1BA/ALCOVE	612			$630,000	0.3340%	0.1571%	0.1407%	$568.98	$529.95	$18.85	$1,098.93	$587.83
1014	0BR/1BA/ALCOVE	583			$665,000	0.3186%	0.1498%	0.1342%	$542.62	$505.40	$17.98	$1,048.02	$560.60
1015	1BR/1BA	688			$770,000	0.3759%	0.1767%	0.1584%	$640.21	$596.30	$21.21	$1,236.51	$661.42
1016	0BR/1BA/ALCOVE	561			$630,000	0.3065%	0.1441%	0.1291%	$522.05	$486.24	$17.29	$1,008.30	$539.35
1017	3BR/3BA	1,836	1,026		$2,875,000	1.1712%	0.5507%	0.4934%	$1,994.97	$1,858.12	$66.09	$3,853.09	$2,061.05
1018	1BR/2BA/ALCOVE	941			$1,200,000	0.5149%	0.2421%	0.2169%	$877.00	$816.85	$29.05	$1,693.85	$906.06
1019	1BR/1BA	679			$770,000	0.3710%	0.1744%	0.1563%	$631.93	$588.58	$20.93	$1,220.51	$652.86
1020	2BR/2BA	1,059			$1,250,000	0.5789%	0.2722%	0.2439%	$986.04	$918.41	$32.66	$1,904.45	$1,018.71
1021	0BR/1BA/ALCOVE	623			$675,000	0.3402%	0.1600%	0.1433%	$579.52	$539.77	$19.20	$1,119.29	$598.72
1022	1BR/1BA	766	143		$995,000	0.4427%	0.2082%	0.1865%	$754.07	$702.34	$24.98	$1,456.41	$779.05
1023	1BR/1BA	635	227		$795,000	0.3846%	0.1808%	0.1620%	$655.13	$610.19	$21.70	$1,265.32	$676.83
1101	0BR/1BA/ALCOVE	502			$625,000	0.2773%	0.1304%	0.1168%	$472.38	$439.98	$15.65	$912.36	$488.03
1102	1BR/1BA	732			$850,000	0.4041%	0.1900%	0.1702%	$688.24	$641.03	$22.80	$1,329.28	$711.04
1103	1BR/2BA/ALCOVE	948			$1,225,000	0.5240%	0.2464%	0.2208%	$892.49	$831.27	$29.57	$1,723.75	$922.05
1104	1BR/1BA	600			$715,000	0.3313%	0.1558%	0.1396%	$564.30	$525.60	$18.69	$1,089.90	$583.00
1105	1BR/1BA	712			$860,000	0.3932%	0.1849%	0.1657%	$669.75	$623.81	$22.19	$1,293.56	$691.94
1106	2BR/2BA	1,228			$1,460,000	0.6780%	0.3188%	0.2856%	$1,154.82	$1,075.61	$38.26	$2,230.42	$1,193.08
1107	2BR/2BA	1,305		133	$1,660,000	0.7431%	0.3494%	0.3131%	$1,265.80	$1,178.97	$41.93	$2,444.77	$1,307.73
1108	1BR/2BA/ALCOVE	827		196	$1,070,000	0.4895%	0.2302%	0.2062%	$833.84	$776.65	$27.62	$1,610.49	$861.47
1109	0BR/1BA/ALCOVE	531			$655,000	0.2933%	0.1379%	0.1236%	$499.59	$465.32	$16.55	$964.92	$516.14
1110	1BR/1BA	636			$730,000	0.3510%	0.1650%	0.1479%	$597.81	$556.80	$19.80	$1,154.62	$617.61
1111	1BR/1BA	643			$730,000	0.3548%	0.1668%	0.1495%	$604.32	$562.86	$20.02	$1,167.18	$624.34
1112	0BR/1BA/ALCOVE	612			$640,000	0.3374%	0.1586%	0.1421%	$574.67	$535.25	$19.04	$1,109.92	$593.70
1114	0BR/1BA/ALCOVE	583			$675,000	0.3218%	0.1513%	0.1356%	$548.04	$510.45	$18.16	$1,058.49	$566.19
1115	1BR/1BA	688			$775,000	0.3796%	0.1785%	0.1599%	$646.61	$602.25	$21.42	$1,248.86	$668.03
1116	0BR/1BA/ALCOVE	561			$640,000	0.3096%	0.1456%	0.1304%	$527.27	$491.10	$17.47	$1,018.37	$544.73
1117	3BR/3BA	1,836			$2,595,000	1.0160%	0.4777%	0.4280%	$1,730.56	$1,611.85	$57.33	$3,342.41	$1,787.88
1118	1BR/2BA/ALCOVE	941			$1,225,000	0.5200%	0.2445%	0.2191%	$885.75	$824.99	$29.34	$1,710.74	$915.09
1119	1BR/1BA	679			$785,000	0.3747%	0.1762%	0.1579%	$638.24	$594.46	$21.14	$1,232.70	$659.38
1120	2BR/2BA	1,059			$1,260,000	0.5847%	0.2749%	0.2463%	$995.89	$927.57	$32.99	$1,923.46	$1,028.88
1121	0BR/1BA/ALCOVE	623			$685,000	0.3436%	0.1616%	0.1448%	$585.31	$545.16	$19.39	$1,130.47	$604.70
1122	1BR/1BA	766			$930,000	0.4234%	0.1991%	0.1784%	$721.19	$671.72	$23.89	$1,392.92	$745.08
1123	1BR/1BA	635			$725,000	0.3505%	0.1648%	0.1476%	$596.93	$555.98	$19.77	$1,152.91	$616.70

SCHEDULE A

450 WEST 17TH STREET
NEW YORK, NEW YORK

OFFERING PRICES & OTHER RELATED INFORMATION

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Unit	Number Bedrooms/ Bathrooms/Alcoves (1)	Approximate Square Footage (1)	Approximate Terrace Sq. Footage	Approximate Balcony Sq. Footage	Offering Price (2)	Tower Section Common Interest (3c)	Residential Common (3b)	General Common (3a)	Projected Monthly Common Charges (4)	Projected Monthly Real Estate Taxes without 421-A Exemption (5)	Projected Monthly Real Estate Taxes with 421-A Exemption (5)	Projected Monthly Common Charges & Real Estate Tax without 421-A	Projected Monthly Common Charges & Real Estate Tax with 421-A
1201	0BR/1BA/ALCOVE	502			$650,000	0.2801%	0.1317%	0.1180%	$477.05	$444.33	$15.80	$921.38	$492.85
1202	1BR/1BA	732			$875,000	0.4081%	0.1919%	0.1719%	$695.05	$647.37	$23.03	$1,342.42	$718.07
1203	1BR/2BA/ALCOVE	948			$1,260,000	0.5291%	0.2488%	0.2229%	$901.30	$839.47	$29.86	$1,740.77	$931.16
1204	1BR/1BA	600			$750,000	0.3346%	0.1573%	0.1410%	$569.88	$530.79	$18.88	$1,100.67	$588.76
1205	1BR/1BA	712			$905,000	0.3971%	0.1867%	0.1673%	$676.37	$629.97	$22.41	$1,306.34	$698.77
1206	2BR/2BA	1,228			$1,495,000	0.6847%	0.3219%	0.2885%	$1,166.23	$1,086.24	$38.63	$2,252.47	$1,204.87
1207	2BR/2BA	1,280		133	$1,695,000	0.7365%	0.3463%	0.3103%	$1,254.54	$1,168.48	$41.56	$2,423.02	$1,296.09
1208	1BR/2BA/ALCOVE	827		196	$1,100,000	0.4944%	0.2325%	0.2083%	$842.08	$784.31	$27.90	$1,626.39	$869.97
1209	0BR/1BA/ALCOVE	531			$665,000	0.2962%	0.1393%	0.1248%	$504.53	$469.92	$16.71	$974.45	$521.24
1210	1BR/1BA	636			$750,000	0.3544%	0.1667%	0.1493%	$603.72	$562.31	$20.00	$1,166.03	$623.72
1211	1BR/1BA	643			$750,000	0.3583%	0.1685%	0.1510%	$610.29	$568.43	$20.22	$1,178.72	$630.51
1212	0BR/1BA/ALCOVE	612			$660,000	0.3407%	0.1602%	0.1435%	$580.36	$540.55	$19.23	$1,120.90	$599.58
1214	0BR/1BA/ALCOVE	583			$685,000	0.3249%	0.1528%	0.1369%	$553.46	$515.49	$18.33	$1,068.95	$571.79
1215	1BR/1BA	688			$785,000	0.3834%	0.1803%	0.1615%	$653.00	$608.21	$21.63	$1,261.21	$674.63
1216	0BR/1BA/ALCOVE	561			$675,000	0.3126%	0.1470%	0.1317%	$532.48	$495.96	$17.64	$1,028.44	$550.12
1217	3BR/3BA	1,836			$2,625,000	1.0260%	0.4824%	0.4323%	$1,747.62	$1,627.74	$57.89	$3,375.36	$1,805.51
1218	1BR/2BA/ALCOVE	941			$1,275,000	0.5252%	0.2469%	0.2213%	$894.49	$833.14	$29.63	$1,727.63	$924.13
1219	1BR/1BA	679			$805,000	0.3784%	0.1779%	0.1594%	$644.55	$600.34	$21.35	$1,244.89	$665.90
1220	2BR/2BA	1,059			$1,290,000	0.5905%	0.2776%	0.2488%	$1,005.73	$936.74	$33.32	$1,942.47	$1,039.05
1221	0BR/1BA/ALCOVE	623			$725,000	0.3470%	0.1632%	0.1462%	$591.10	$550.55	$19.58	$1,141.65	$610.68
1222	1BR/1BA	766			$935,000	0.4276%	0.2011%	0.1801%	$728.31	$678.35	$24.13	$1,406.67	$752.44
1223	1BR/1BA	635			$775,000	0.3539%	0.1664%	0.1491%	$602.83	$561.48	$19.97	$1,164.31	$622.80
1401	0BR/1BA/ALCOVE	502			$635,000	0.2828%	0.1330%	0.1192%	$481.72	$448.67	$15.96	$930.39	$497.67
1402	1BR/1BA	732			$860,000	0.4121%	0.1937%	0.1736%	$701.85	$653.71	$23.25	$1,355.56	$725.10
1403	2BR/2BA	1,038	1,322		$1,725,000	0.8115%	0.3816%	0.3419%	$1,382.19	$1,287.38	$45.79	$2,669.57	$1,427.98
1404	2BR/2BA	1,085	1,494	133	$2,150,000	0.8879%	0.4175%	0.3741%	$1,512.35	$1,408.61	$50.10	$2,920.97	$1,562.45
1405	1BR/2BA/ALCOVE	827		196	$1,080,000	0.4993%	0.2348%	0.2104%	$850.51	$792.17	$28.17	$1,642.68	$878.68
1406	0BR/1BA/ALCOVE	531			$660,000	0.2991%	0.1407%	0.1260%	$509.53	$474.58	$16.88	$984.12	$526.41
1407	1BR/1BA	636			$782,500	0.3583%	0.1685%	0.1509%	$610.21	$568.36	$20.21	$1,178.57	$630.43
1408	1BR/1BA	629			$782,500	0.3544%	0.1666%	0.1493%	$603.58	$562.18	$19.99	$1,165.75	$623.57
1409	1BR/1BA	949	432		$1,425,000	0.6076%	0.2857%	0.2560%	$1,034.85	$963.87	$34.28	$1,998.72	$1,069.14
1410	1BR/1BA	635			$745,000	0.3573%	0.1680%	0.1506%	$608.67	$566.92	$20.16	$1,175.60	$628.84
1501	0BR/1BA/ALCOVE	502			$645,000	0.2856%	0.1343%	0.1203%	$486.38	$453.02	$16.11	$939.40	$502.49
1502	1BR/1BA	732			$875,000	0.4160%	0.1956%	0.1753%	$708.65	$660.05	$23.48	$1,368.70	$732.13
1503	2BR/2BA	1,038			$1,295,000	0.5928%	0.2787%	0.2498%	$1,009.73	$940.46	$33.45	$1,950.19	$1,043.18
1504	2BR/2BA	1,085		133	$1,560,000	0.6411%	0.3014%	0.2701%	$1,091.92	$1,017.02	$36.17	$2,108.93	$1,128.09
1505	1BR/2BA/ALCOVE	827		196	$1,090,000	0.5042%	0.2371%	0.2124%	$858.74	$799.84	$28.45	$1,658.58	$887.19
1506	0BR/1BA/ALCOVE	531			$680,000	0.3020%	0.1420%	0.1273%	$514.47	$479.18	$17.04	$993.65	$531.51
1507	1BR/1BA	636			$787,500	0.3617%	0.1701%	0.1524%	$616.13	$573.86	$20.41	$1,189.99	$636.54
1508	1BR/1BA	629			$787,500	0.3578%	0.1682%	0.1507%	$609.42	$567.62	$20.19	$1,177.04	$629.61
1509	3BR/3BA	1,637	1,753		$3,250,000	1.2391%	0.5826%	0.5220%	$2,110.49	$1,965.72	$69.91	$4,076.21	$2,180.40
1510	1BR/1BA	689			$950,000	0.3924%	0.1845%	0.1653%	$668.42	$622.57	$22.14	$1,290.99	$690.56
1511	1BR/1BA	635			$765,000	0.3608%	0.1696%	0.1520%	$614.50	$572.35	$20.36	$1,186.86	$634.86
1601	0BR/1BA/ALCOVE	502			$650,000	0.2883%	0.1356%	0.1215%	$491.05	$457.36	$16.27	$948.41	$507.31

SCHEDULE A

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Unit	Number Bedrooms/ Bathrooms/Alcoves (1)	Approximate Square Footage (1)	Approximate Terrace Sq. Footage	Approximate Balcony Sq. Footage	Offering Price (2)	Tower Section Common Interest (3c)	Residential Common (3b)	General Common (3a)	Projected Monthly Common Charges (4)	Projected Monthly Real Estate Taxes without 421-A Exemption (5)	Projected Monthly Real Estate Taxes with 421-A Exemption (5)	Projected Monthly Common Charges & Real Estate Tax without 421-A	Projected Monthly Common Charges & Real Estate Tax with 421-A
1602	1BR/1BA	732			$880,000	0.4200%	0.1975%	0.1770%	$715.46	$666.38	$23.70	$1,381.84	$739.16
1603	2BR/2BA	1,038			$1,300,000	0.5985%	0.2814%	0.2521%	$1,019.37	$949.45	$33.77	$1,968.82	$1,053.14
1604	2BR/2BA	1,085		133	$1,565,000	0.6472%	0.3043%	0.2727%	$1,102.37	$1,026.76	$36.52	$2,129.13	$1,138.89
1605	1BR/2BA/ALCOVE	827		196	$1,100,000	0.5090%	0.2393%	0.2144%	$866.97	$807.50	$28.72	$1,674.48	$895.69
1606	0BR/1BA/ALCOVE	531			$665,000	0.3049%	0.1434%	0.1285%	$519.40	$483.78	$17.21	$1,003.18	$536.61
1607	1BR/1BA	636			$792,500	0.3652%	0.1717%	0.1539%	$622.04	$579.37	$20.61	$1,201.40	$642.64
1608	1BR/1BA	629			$792,500	0.3612%	0.1698%	0.1522%	$615.27	$573.07	$20.38	$1,188.34	$635.65
1609	3BR/3BA	1,637			$2,495,000	0.9467%	0.4451%	0.3989%	$1,612.55	$1,501.93	$53.42	$3,114.48	$1,665.97
1610	1BR/1BA	689			$955,000	0.3962%	0.1863%	0.1669%	$674.82	$628.53	$22.36	$1,303.36	$697.18
1611	1BR/1BA	635			$775,000	0.3642%	0.1713%	0.1535%	$620.41	$577.85	$20.55	$1,198.25	$640.96
1701	0BR/1BA/ALCOVE	502			$655,000	0.2910%	0.1368%	0.1226%	$495.71	$461.71	$16.42	$957.42	$512.13
1702	1BR/1BA	732			$885,000	0.4240%	0.1994%	0.1786%	$722.26	$672.72	$23.93	$1,394.98	$746.19
1703	2BR/2BA	1,038			$1,305,000	0.6041%	0.2841%	0.2545%	$1,029.02	$958.44	$34.09	$1,987.46	$1,063.11
1704	2BR/2BA	1,085		133	$1,570,000	0.6533%	0.3072%	0.2753%	$1,112.83	$1,036.49	$36.86	$2,149.32	$1,149.69
1705	1BR/2BA/ALCOVE	827		196	$1,110,000	0.5138%	0.2416%	0.2165%	$875.21	$815.17	$28.99	$1,690.38	$904.20
1706	0BR/1BA/ALCOVE	531			$667,500	0.3078%	0.1447%	0.1297%	$524.34	$488.37	$17.37	$1,012.71	$541.71
1707	1BR/1BA	636			$797,500	0.3687%	0.1733%	0.1553%	$627.95	$584.87	$20.80	$1,212.82	$648.75
1708	1BR/1BA	629			$797,500	0.3647%	0.1715%	0.1536%	$621.12	$578.51	$20.58	$1,199.63	$641.69
1709	3BR/3BA	1,637			$2,520,000	0.9556%	0.4493%	0.4026%	$1,627.76	$1,516.11	$53.92	$3,143.87	$1,681.68
1710	1BR/1BA	689			$960,000	0.3999%	0.1881%	0.1685%	$681.23	$634.50	$22.57	$1,315.73	$703.79
1711	1BR/1BA	635			$785,000	0.3677%	0.1729%	0.1549%	$626.31	$583.35	$20.75	$1,209.65	$647.06
1801	0BR/1BA/ALCOVE	502			$660,000	0.2938%	0.1381%	0.1238%	$500.38	$466.06	$16.58	$966.43	$516.95
1802	1BR/1BA	732			$890,000	0.4280%	0.2013%	0.1803%	$729.07	$679.06	$24.15	$1,408.12	$753.22
1803	2BR/2BA	1,038			$1,310,000	0.6098%	0.2867%	0.2569%	$1,038.67	$967.42	$34.41	$2,006.09	$1,073.08
1804	2BR/2BA	1,085		133	$1,575,000	0.6595%	0.3101%	0.2778%	$1,123.28	$1,046.23	$37.21	$2,169.51	$1,160.49
1805	1BR/2BA/ALCOVE	827		196	$1,120,000	0.5187%	0.2439%	0.2185%	$883.44	$822.84	$29.27	$1,706.28	$912.71
1806	0BR/1BA/ALCOVE	531			$670,000	0.3107%	0.1461%	0.1309%	$529.27	$492.97	$17.53	$1,022.24	$546.81
1807	1BR/1BA	636			$802,500	0.3721%	0.1750%	0.1568%	$633.86	$590.38	$21.00	$1,224.24	$654.86
1808	1BR/1BA	629			$802,500	0.3681%	0.1731%	0.1551%	$626.96	$583.96	$20.77	$1,210.92	$647.73
1809	3BR/3BA	1,637			$2,545,000	0.9646%	0.4535%	0.4064%	$1,642.98	$1,530.28	$54.43	$3,173.25	$1,697.40
1810	1BR/1BA	689			$965,000	0.4037%	0.1898%	0.1701%	$687.63	$640.46	$22.78	$1,328.09	$710.41
1811	1BR/1BA	635			$795,000	0.3712%	0.1745%	0.1564%	$632.21	$588.84	$20.94	$1,221.05	$653.15
1901	0BR/1BA/ALCOVE	502			$665,000	0.2965%	0.1394%	0.1249%	$505.04	$470.40	$16.73	$975.45	$521.77
1902	1BR/1BA	732			$895,000	0.4320%	0.2031%	0.1820%	$735.87	$685.39	$24.38	$1,421.26	$760.25
1903	2BR/2BA	1,038			$1,315,000	0.6155%	0.2894%	0.2593%	$1,048.32	$976.41	$34.73	$2,024.72	$1,083.04
1904	2BR/2BA	1,085		133	$1,580,000	0.6656%	0.3130%	0.2804%	$1,133.74	$1,055.97	$37.56	$2,189.71	$1,171.29
1905	1BR/2BA/ALCOVE	827		196	$1,130,000	0.5235%	0.2461%	0.2206%	$891.67	$830.51	$29.54	$1,722.18	$921.21
1906	0BR/1BA/ALCOVE	531			$672,500	0.3136%	0.1475%	0.1321%	$534.21	$497.57	$17.70	$1,031.78	$551.91
1907	1BR/1BA	636			$807,500	0.3756%	0.1766%	0.1582%	$639.77	$595.89	$21.19	$1,235.66	$660.96
1908	1BR/1BA	629			$807,500	0.3715%	0.1747%	0.1565%	$632.81	$589.40	$20.96	$1,222.21	$653.77
1909	3BR/3BA	1,637			$2,570,000	0.9735%	0.4577%	0.4101%	$1,658.19	$1,544.45	$54.93	$3,202.64	$1,713.12
1910	1BR/1BA	689			$970,000	0.4075%	0.1916%	0.1717%	$694.03	$646.43	$22.99	$1,340.46	$717.03
1911	1BR/1BA	635			$805,000	0.3746%	0.1762%	0.1578%	$638.11	$594.34	$21.14	$1,232.45	$659.25
2001	0BR/1BA/ALCOVE	502			$670,000	0.2992%	0.1407%	0.1261%	$509.71	$474.75	$16.89	$984.46	$526.60

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Unit	Number Bedrooms/ Bathrooms/Alcoves (1)	Approximate Square Footage (1)	Approximate Terrace Sq. Footage	Approximate Balcony Sq. Footage	Offering Price (2)	Tower Section Common Interest (3c)	Residential Common (3b)	General Common (3a)	Projected Monthly Common Charges (4)	Projected Monthly Real Estate Taxes without 421-A Exemption (5)	Projected Monthly Real Estate Taxes with 421-A Exemption (5)	Projected Monthly Common Charges & Real Estate Tax without 421-A	Projected Monthly Common Charges & Real Estate Tax with 421-A
2002	1BR/1BA	732			$925,000	0.4364%	0.2052%	0.1839%	$743.37	$692.38	$24.63	$1,435.75	$767.99
2003	2BR/2BA	1,038			$1,375,000	0.6211%	0.2921%	0.2617%	$1,057.96	$985.39	$35.05	$2,043.36	$1,093.01
2004	2BR/2BA	1,085		133	$1,620,000	0.6717%	0.3159%	0.2830%	$1,144.19	$1,065.71	$37.90	$2,209.90	$1,182.10
2005	1BR/2BA/ALCOVE	827		196	$1,140,000	0.5283%	0.2484%	0.2226%	$899.91	$838.18	$29.81	$1,738.08	$929.72
2006	0BR/1BA/ALCOVE	531			$690,000	0.3165%	0.1488%	0.1334%	$539.14	$502.16	$17.86	$1,041.31	$557.01
2007	1BR/1BA	636			$822,500	0.3791%	0.1782%	0.1597%	$645.68	$601.39	$21.39	$1,247.07	$667.07
2008	1BR/1BA	629			$822,500	0.3749%	0.1763%	0.1580%	$638.65	$594.85	$21.16	$1,233.50	$659.81
2009	3BR/3BA	1,637			$2,650,000	0.9824%	0.4619%	0.4139%	$1,673.41	$1,558.62	$55.44	$3,232.02	$1,728.84
2010	1BR/1BA	689			$1,000,000	0.4112%	0.1934%	0.1733%	$700.44	$652.39	$23.20	$1,352.83	$723.64
2011	1BR/1BA	635			$830,000	0.3781%	0.1778%	0.1593%	$644.01	$599.84	$21.33	$1,243.85	$665.35
2101	1BR/1BA	779			$950,000	0.4685%	0.2203%	0.1974%	$798.02	$743.28	$26.44	$1,541.30	$824.46
2102	1BR/1BA	730			$925,000	0.4392%	0.2065%	0.1850%	$748.12	$696.81	$24.78	$1,444.93	$772.91
2103	2BR/2BA	1,038			$1,350,000	0.6247%	0.2938%	0.2632%	$1,064.13	$991.13	$35.25	$2,055.26	$1,099.38
2104	2BR/2BA	1,078		133	$1,625,000	0.6741%	0.3170%	0.2840%	$1,148.19	$1,069.43	$38.04	$2,217.61	$1,186.22
2105	1BR/1BA/ALCOVE	828		196	$1,150,000	0.5342%	0.2512%	0.2250%	$909.85	$847.44	$30.14	$1,757.29	$939.99
2106	2BR/2BA	1,164			$1,635,000	0.7012%	0.3297%	0.2954%	$1,194.42	$1,112.49	$39.57	$2,306.91	$1,233.99
2107	3BR/3BA	1,885			$2,950,000	1.1372%	0.5347%	0.4791%	$1,937.08	$1,804.20	$64.17	$3,741.28	$2,001.25
2108	2BR/2BA	1,408			$2,225,000	0.8496%	0.3995%	0.3579%	$1,447.10	$1,347.84	$47.94	$2,794.93	$1,495.04
2201	1BR/1BA	779			$960,000	0.4728%	0.2223%	0.1992%	$805.26	$750.02	$26.68	$1,555.28	$831.94
2202	1BR/1BA	730			$930,000	0.4432%	0.2084%	0.1867%	$754.91	$703.13	$25.01	$1,458.03	$779.92
2203	2BR/2BA	1,038			$1,360,000	0.6304%	0.2964%	0.2656%	$1,073.77	$1,000.12	$35.57	$2,073.89	$1,109.34
2204	2BR/2BA	1,078		133	$1,630,000	0.6802%	0.3198%	0.2866%	$1,158.58	$1,079.10	$38.38	$2,237.68	$1,196.96
2205	1BR/1BA/ALCOVE	828		196	$1,155,000	0.5390%	0.2534%	0.2271%	$918.09	$855.11	$30.41	$1,773.20	$948.50
2206	2BR/2BA	1,164			$1,645,000	0.7076%	0.3327%	0.2981%	$1,205.24	$1,122.57	$39.93	$2,327.81	$1,245.17
2207	3BR/3BA	1,885			$2,975,000	1.1475%	0.5396%	0.4835%	$1,954.60	$1,820.52	$64.75	$3,775.12	$2,019.35
2208	2BR/2BA	1,408			$2,250,000	0.8573%	0.4031%	0.3612%	$1,460.18	$1,360.02	$48.37	$2,820.21	$1,508.56
2301	1BR/1BA	779			$970,000	0.4770%	0.2243%	0.2010%	$812.50	$756.77	$26.92	$1,569.27	$839.42
2302	1BR/1BA	730			$935,000	0.4472%	0.2103%	0.1884%	$761.69	$709.44	$25.23	$1,471.14	$786.93
2303	2BR/2BA	1,038			$1,370,000	0.6361%	0.2991%	0.2680%	$1,083.42	$1,009.10	$35.89	$2,092.52	$1,119.31
2304	2BR/2BA	1,078		133	$1,635,000	0.6863%	0.3227%	0.2891%	$1,168.97	$1,088.78	$38.72	$2,257.75	$1,207.69
2305	1BR/1BA/ALCOVE	828		196	$1,160,000	0.5438%	0.2557%	0.2291%	$926.33	$862.79	$30.69	$1,789.12	$957.02
2306	2BR/2BA	1,164			$1,655,000	0.7139%	0.3357%	0.3008%	$1,216.06	$1,132.65	$40.28	$2,348.70	$1,256.34
2307	3BR/3BA	1,885			$3,000,000	1.1578%	0.5444%	0.4878%	$1,972.12	$1,836.84	$65.33	$3,808.96	$2,037.45
2308	2BR/2BA	1,408			$2,275,000	0.8649%	0.4067%	0.3644%	$1,473.27	$1,372.21	$48.81	$2,845.48	$1,522.08
2401	1BR/1BA	779			$980,000	0.4813%	0.2263%	0.2028%	$819.74	$763.51	$27.16	$1,583.25	$846.90
2402	1BR/1BA	730			$940,000	0.4512%	0.2121%	0.1901%	$768.48	$715.76	$25.46	$1,484.24	$793.93
2403	2BR/2BA	1,038			$1,380,000	0.6417%	0.3017%	0.2704%	$1,093.07	$1,018.09	$36.21	$2,111.16	$1,129.28
2404	2BR/2BA	1,078		133	$1,640,000	0.6924%	0.3256%	0.2917%	$1,179.36	$1,098.46	$39.07	$2,277.81	$1,218.42
2405	1BR/1BA/ALCOVE	828		196	$1,165,000	0.5487%	0.2580%	0.2312%	$934.57	$870.47	$30.96	$1,805.04	$965.53
2406	2BR/2BA	1,164			$1,665,000	0.7203%	0.3387%	0.3035%	$1,226.88	$1,142.72	$40.64	$2,369.60	$1,267.52
2407	3BR/3BA	1,885			$3,025,000	1.1681%	0.5492%	0.4921%	$1,989.64	$1,853.16	$65.91	$3,842.79	$2,055.55
2408	2BR/2BA	1,408			$2,300,000	0.8726%	0.4103%	0.3676%	$1,486.36	$1,384.40	$49.24	$2,870.76	$1,535.60
2501	1BR/1BA	779			$990,000	0.4855%	0.2283%	0.2046%	$826.98	$770.25	$27.40	$1,597.24	$854.38
2502	1BR/1BA	730			$945,000	0.4552%	0.2140%	0.1918%	$775.26	$722.08	$25.68	$1,497.35	$800.94

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Unit	Number Bedrooms/ Bathrooms/Alcoves (1)	Approximate Square Footage (1)	Approximate Terrace Sq. Footage	Approximate Balcony Sq. Footage	Offering Price (2)	Tower Section Common Interest (3c)	Residential Common (3b)	General Common (3a)	Projected Monthly Common Charges (4)	Projected Monthly Real Estate Taxes without 421-A Exemption (5)	Projected Monthly Real Estate Taxes with 421-A Exemption (5)	Projected Monthly Common Charges & Real Estate Tax without 421-A	Projected Monthly Common Charges & Real Estate Tax with 421-A
2503	2BR/2BA	1,038			$1,390,000	0.6474%	0.3044%	0.2728%	$1,102.72	$1,027.08	$36.53	$2,129.79	$1,139.25
2504	2BR/2BA	1,078		133	$1,645,000	0.6985%	0.3284%	0.2943%	$1,189.75	$1,108.14	$39.41	$2,297.88	$1,229.16
2505	1BR/1BA/ALCOVE	828		196	$1,170,000	0.5535%	0.2603%	0.2332%	$942.82	$878.14	$31.23	$1,820.96	$974.05
2506	2BR/2BA	1,164			$1,675,000	0.7266%	0.3417%	0.3061%	$1,237.70	$1,152.80	$41.00	$2,390.49	$1,278.70
2507	3BR/3BA	1,885			$3,050,000	1.1784%	0.5541%	0.4965%	$2,007.15	$1,869.48	$66.49	$3,876.63	$2,073.65
2508	2BR/2BA	1,408			$2,325,000	0.8803%	0.4139%	0.3709%	$1,499.44	$1,396.59	$49.67	$2,896.03	$1,549.12
PH01	1BR/1BA	779			$1,010,000	0.4898%	0.2303%	0.2063%	$834.22	$777.00	$27.64	$1,611.22	$861.86
PH02	1BR/1BA	730			$960,000	0.4591%	0.2159%	0.1934%	$782.05	$728.40	$25.91	$1,510.45	$807.95
PH03	2BR/2BA	1,038			$1,410,000	0.6531%	0.3071%	0.2751%	$1,112.36	$1,036.06	$36.85	$2,148.42	$1,149.21
PH04	2BR/2BA	1,078		133	$1,700,000	0.7046%	0.3313%	0.2969%	$1,200.14	$1,117.81	$39.76	$2,317.95	$1,239.89
PH05	1BR/1BA/ALCOVE	828		196	$1,185,000	0.5584%	0.2625%	0.2352%	$951.06	$885.82	$31.51	$1,836.88	$982.56
PH06	2BR/2BA	1,164			$1,695,000	0.7330%	0.3447%	0.3088%	$1,248.52	$1,162.87	$41.36	$2,411.39	$1,289.88
PH07	3BR/3BA	1,885			$3,125,000	1.1887%	0.5589%	0.5008%	$2,024.67	$1,885.79	$67.07	$3,910.47	$2,091.75
PH08	2BR/2BA	1,408			$2,375,000	0.8880%	0.4175%	0.3741%	$1,512.53	$1,408.78	$50.11	$2,921.31	$1,562.64
	Rental Unit	256,271	Various		N/A	0.0000%	52.9800%	50.2819%	$163,914.63	N/A	N/A	$163,914.63	$163,914.63
	Retail Unit	10,288			N/A	0.0000%	0.0000%	2.1047%	$6,861.02	N/A	N/A	$6,861.02	$6,861.02
	Fitness Facility Unit	27,696			N/A	0.0000%	0.0000%	2.8886%	$9,416.70	N/A	N/A	$9,416.70	$9,416.70
	Garage Unit 1	25,465			N/A	0.0000%	0.0000%	1.5629%	$5,094.77	N/A	N/A	$5,094.77	$5,094.77
	Garage Unit 2	16,800			N/A	0.0000%	0.0000%	1.0311%	$3,361.13	N/A	N/A	$3,361.13	$3,361.13
Total:		**504,106**	**7,923**	**5,264**	**$228,847,500**	**100%**	**100%**	**100%**	**$358,978.92**	**$158,647.00**	**$5,642.58**	**$517,625.92**	**$364,621.50**

Notes to Schedule A

1 Tower Unit Plans depicting layouts of Tower Units appear in Part II of the Plan. Purchasers should note that the square footage of each Tower Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the unit and may significantly exceed the actual floor area. Floor area may include columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. The clearance between the top of the floor slab on one floor and the top of the floor slab on the next floor will vary among the Tower Units and certain Tower Units may have less clearance and certain rooms within other Tower Units may have a lesser clearance as the result of construction variances or the presence of beams and mechanical spaces in such Units. Kitchens, bathrooms and hallways typically have dropped ceilings. Each Tower Unit will be measured horizontally from the exterior side of the exterior wall and/or window system (columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits are not deducted) to the centerline of the partitions separating one Tower Unit from another Tower Unit, corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Tower Unit or to the exterior side of the opposite exterior walls. Each Tower Unit will be measured vertically from the top of the floor to the underside of the ceiling.

As is often the case in New York, these square foot areas exceed the usable floor area of each Tower Unit and include columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. The clearance between the top of the floor slab and the bottom of the finish ceiling in the Tower Units will generally be about 9'4" for Tower Units on Floors 10 through 11, 14 through 19 and 21 through 25, 10'8"-11'0" for Tower Units on Floor 12, 11'0" for Tower Units on Floor 20, and 11'3 1/2" for Tower Units on Floor 26. However, certain Tower Units may have less clearance and certain rooms within other Tower Units may have a lesser clearance as the result of construction variances or the presence of beams and mechanical spaces in such Tower Units. Purchasers are further advised that Sponsor has reserved the right to negotiate with individual purchasers to perform special work which may require a modification in floor plans for certain Tower Units and accordingly the layout of the Units and Common Elements may vary. The room count for each Tower Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

2 No change will be made in the purchase prices other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general

offering or an advertised price but is rather the result of an individually negotiated transaction. In addition to the purchase price, Purchaser will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan including, without limitation, the obligation to contribute two (2) month's Common Charges to the Working Capital Fund of the Condominium. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units.

3(a) The respective Common Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(1)(iv) of the New York Condominium Act, is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. For purposes of the allocation of General Common Interest portions of the square footage of the Base Units (including the Garage Units) located below grade have been discounted as follows: seventy percent (70%) for parking spaces located above grade as well as any portion of any Base Unit (including the Garage Units) located below grade. In the event that, prior to the First Closing, Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Tower Units and such changes involves the inclusion, in the Tower Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Tower Units, the Common Interest of all of the Tower Units may change slightly. Any such change in the Common Interest allocated to a Tower Unit prior to the recording of the Declaration shall not be deemed a material change and shall not give rise to a right of rescission on the part of any purchaser.

3(b) The Residential Common Interest of each Unit is set forth in this column and is utilized to determine the allocation of Residential Common Expenses.

3(c) The Tower Common Interest of each Tower Unit is set forth in this column and is apportioned in the same proportion that the General Common Interest of such Tower Unit bears to the aggregate General Common Interests of all Tower Units and is utilized to determine the allocation of Tower Common Expenses.

4 The estimates contained in this schedule were prepared on the assumption that the first year of Condominium operation will be the year from July 1, 2008 through June 30, 2009, and are only an estimate of the receipts and expenses of the Condominium for the projected year. Sponsor makes no representation regarding the commencement date or the estimated receipts and expenses for the first year of Condominium operation which may be greater than or less than the estimated figures set forth in the proposed budget. The actual first year of Condominium operation may be earlier or later than such year. If the actual or anticipated date of commencement of Condominium operation is delayed by more than six (6) months from the commencement of the projected first year of Condominium operation, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all purchasers the right to

rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

The estimated monthly Common Charges for each Tower Unit are based on the Schedule B - Projected Budget for First Year of Condominium Operation. The estimated monthly Common Charges include the cost of central heating for the Units. Each individual Tower Unit is provided with an incremental HVAC air conditioning unit. The Maintenance and operating cost of the HVAC units are borne by the individual Tower Unit Owners. Please refer to Schedule B-1 "Energy Costs Projection" from I.M. Robbins, consulting engineer, for further information regarding estimated energy costs. In addition to these estimated payments, each Tower Unit Owner will be responsible for real estate taxes for such Tower Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Tower Unit, the cost of electricity supplied to the Tower Unit which will be separately metered and payable directly to the utility company, the insurance which must be carried by each Tower Unit Owner with respect to liability and casualty to the contents of the Unit and the cost of interior repairs and decorations to the Tower Unit. Until the Units are separately assessed, real estate taxes shall be part of Common Expenses. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. In addition, capital repairs, additions, improvements, alterations and restorations to the Residential Section are Residential Common Expenses, which will be borne by the Unit Owners.

5 Assuming the Property does not receive any abatement from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Tower Unit Owners for the first year of Condominium operation will total approximately $1,903,764, based on an opinion prepared by Marcus & Pollock LLP dated June 8, 2006 which assumes (a) twelve months of taxes based upon the building being partially completed (60% complete) and assessed on the 2008/2009 valuation (b) an approximate valuation of the Tower Units for tax year 2008/2009 of $15,138,072, and (c) a projected tax rate of 12.576%. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS FOR THE TAX YEAR 2005/2006 WHICH DO NOT APPEAR CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.

Purchasers should note that the real estate taxes for the first year of Condominium operation (assuming no 421-a benefits) are less than taxes would be for the second year of Condominium operation without 421-a benefits since the first year's tax estimate includes four (4) months of assessed valuation of the Property prior to the completion of the Building which is a substantially lower valuation. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the second year of operation could be more than 48% higher than the taxes during the first year of operation.

Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinion of the Marcus & Pollock LLP set forth in Part I of the Plan for further discussion regarding real estate taxes and benefits under the for the residential portion of the Property.

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

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method to be employed by the New York City tax assessor in allocating individual Tower Unit assessments; (ii) of the assessed values of the Tower Section during the first year of Condominium operation, (iii) of the tax rates for the first year of Condominium operation, or (iv) that the Tower Section will qualify for or receive benefits under the 421-a Program.

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

SCHEDULE B
PROJECTED CONDOMINUM BUDGET

THE CALEDONIA
450 WEST 17TH STREET, NEW YORK, NEW YORK
ESTIMATED SCHEDULE OF RECEIPTS AND EXPENSES
FOR FIRST FULL YEAR OF CONDOMINIUM OPERATION

BEGINNING JULY 1, 2008.

	Tower Section (AKA Residential Condominiums)		Base Section: Rental Apartments (Rental Section)		Base Section: Commercial (Commercial Section)		Total
RECEIPTS							
TOWER UNITS (aka RESIDENTIAL CONDOMINIUMS) COMMON CHARGES (1)	$2,043,968	100.00%	$0		$0		$2,043,968
BASE SECTION COMMON CHARGES (2)	$0		$2,252,187	100.00%	$11,592	100.00%	$2,263,779
TOTAL	$2,043,968		$2,252,187		$11,592		$4,307,747
EXPENSES							
MANAGEMENT FEE (3)	$71,531	57.22%	$52,710	42.17%	$759	0.61%	$125,000
LEGAL AND ACCOUNTING AUDIT (4)	$15,302	85.01%	$2,622	14.57%	$76	0.42%	$18,000
ADMINISTRATIVE EXPENSE (5)	$50,793	40.85%	$73,542	59.15%	$0	0.00%	$124,335
AMENITIES AND DECORATION EXPENSE (6)	$22,298	47.15%	$24,998	52.85%	$0	0.00%	$47,296
ELEVATOR MAINTENANCE (7)	$37,062	38.53%	$59,116	61.47%	$0	0.00%	$96,178
GENERAL MAINTENANCE (8)	$85,034	43.54%	$109,792	56.22%	$453	0.23%	$195,279
SALARIES (9)	$707,598	41.49%	$996,962	58.46%	$784	0.05%	$1,705,344
FUEL (10)	$248,311	47.02%	$279,786	52.98%	$0	0.00%	$528,097
ELECTRICITY-RESIDENTIAL COMMON AREAS (11)	$279,419	47.02%	$314,837	52.98%	$0	0.00%	$594,256
WATER AND SEWER (12)	$103,202	47.02%	$116,284	52.98%	$0	0.00%	$219,486
RESIDENT MANAGER'S APARTMENT (13)	$38,528	46.53%	$43,644	52.71%	$628	0.76%	$82,800
GAS FOR COOKING AND DOMESTIC HOT WATER (14)	$29,797	47.02%	$33,574	52.98%	$0	0.00%	$63,371
OTHER OPERATING EXPENSE (15)	$24,295	47.02%	$27,375	52.98%	$0	0.00%	$51,670
INSURANCE (16)	$49,379	42.13%	$58,932	50.28%	$8,892	7.59%	$117,203
FITNESS FACILITY (17)	$281,419	82.91%	$58,013	17.09%	$0	0.00%	$339,432
TOTAL	$2,043,968	47.45%	$2,252,187	52.28%	$11,592	0.27%	$4,307,747

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Apartment:	Tower Unit or Rental Apartment
Tower Section:	Refers to the 190 residential condominiums (AKA Tower Units), Tower Common Elements, and Tower Limited Common Elements.
Rental Unit:	Refers to the 288 Rental Apartments, ancillary spaces, and Rental Common Elements.
Residential Section:	Refers to the Tower Section, Rental Section and Residential Common Elements.
Commercial Spaces:	Refers to the Retail Unit, Garage Units, and Fitness Facility Unit.
Commercial Section:	Refers to the Fitness Facility Unit, Retail Unit, Garage Units, Commercial Common Elements, and Base Limited Common Elements.
Base Section:	Refers to the Rental Section and Commercial Section.
Base Units:	Refers to the Rental Unit, Retail Unit, Fitness Facility Unit, and Garage Units.
Tower Unit:	Refers to one of the 190 for-sale residential condominium apartments.
Tower Common Charges:	Refers to Common Charges applicable only to residential condominium units (AKA Tower Units). These charges are allocated to the Tower Units according to Tower Common Interest.
Tower Common Interest	Tower Units: 100%
Residential Common Charge:	Refers to Common Charges applicable to the Residential Section (both the Tower Section and Rental Section). These charges are allocated according to Residential Common Interest or other allocation methodology based on usage, as further described in the following notes to Schedule B.
Residential Common Interest:	Tower Units: 47.02% Rental Unit: 52.98%

General Common Charge:	Any expense shared by the Tower Section, Rental Section, and Commercial Section to be allocated according to General Common Interest or other allocation methodology based on usage by the Tower Units and Base Units.	
General Common Interest:	Tower Units:	42.13%
	Rental Unit:	50.28%
	Retail Unit:	2.10%
	Fitness Facility Unit:	2.89%
	Garage Unit 1:	1.56%
	Garage Unit 2:	1.04%

Footnotes to Schedule B – Tower Condominium Budget

(1) Tower Units (aka residential condominiums) Common Charges - $2,043,968

The Common Charges for the residential condominiums (also known as Tower Units or collectively as the Tower Section) are comprised of its share of three expense categories: Tower Common (for expenses related solely to the Tower Section), Residential Common (for expenses relating to the Residential Section) and General Common (for expenses relating to the Building).

The Common Charges projected herein are based upon the assumption that the First Year of Condominium Operation will be the year from July 1, 2008 to June 30, 2009. The actual first year of Condominium Operation may be earlier or later than such year. In the event that: (i) the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if such amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after July 2008, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentenee are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. In addition, Sponsor will disclose in an amendment to the Plan if the First Closing will occur more than 3 months prior to July 2008, although Purchasers will have no right to rescind their Agreements or any other recourse in connection therewith. The Units owned by the Sponsor/Developer are paying the fair allocation of expenses attributable to them, as required by 13 N.Y.C.R.R 20.3(j)(2). Any dispute regarding this issue will be decided by arbitration.

(2) Base Section Common Charges - $2,263,779

The Base Section includes the Rental Section and Commercial Section. The Common Charges for the Base Section are comprised of its share of two expense categories: Residential Common (for expenses relating to the Residential Section) and General Common (for expenses relating to the Building).

These amounts represent the total Common Charges to be levied against and collected from the Base Section during the projected First Year of Condominium Operation. The Common Charges will be utilized by the Board to defray the operational expenses of the

Condominium. The Base Section Owners will be obligated to pay their allocated share of the expenses.

After operation of the Condominium has commenced, it is anticipated that the methods of allocation of the Common Expenses to be paid by the Unit Owners will be periodically adjusted as provided in Section 6.1 of the By-Laws, but not more frequently than once each year, to reflect the differing proportions fairly attributable to the then amount of usage by such category of Unit Owner of the services and the Common Elements in question, but in any event in conformity with Section 339-m of the New York State Real Property Law. The Units owned by the Sponsor/Developer are paying the fair allocation of expenses attributable to them, as required by 13 N.Y.C.R.R 20.3(j)(2). Any dispute regarding this issue will be decided by arbitration.

(3) Management Fee - $71,531

As outlined in the Management Agreement with Related Management Company, L.P. (a sponsor-affiliated entity), the services of the managing agent shall commence upon sale by Sponsor of the first Tower Unit and shall continue until the third anniversary of such date. The total fee will be $125,000 for the First Year of Condominium Operation. The managing agent will manage the Tower Section, the Residential Section and the Building. The Management Fee will be allocated according to Tower Common Interest, Residential Common Interest, and General Common Interest percentages, respectively, as shown below.

	Total	Tower Units
Management of the Tower Section:	$ 25,000	$25,000
Management of the Residential Section:	$ 90,000	$42,318
Management of the Building:	$ 10,000	$ 4,213
Total Management Fee:	**$125,000**	**$71,531**

This management fee reflects the prevailing cost for similar services. It is based on the number of Tower Units, size of the Residential Section, and size of the Building. The Units owned by the Sponsor/Developer are paying the fair allocation of expenses attributable to them, as required by 13 N.Y.C.R.R 20.3(j)(2). Any dispute regarding this issue will be decided by arbitration. Management fee will increase by 3% per annum for the first two years following the First Year of Condominium Operation. After the first three years, the management agreement may be renewed by the Condominium Board at market rates and terms based on the cost of comparable management agreements at buildings of similar size, quality, and complexity.

For further details as to the responsibilities of the managing agent, see the section of the Plan entitled "Management Agreement."

(4) Legal and Accounting Audit - $15,302

All Unit Owners are entitled to receive annually from the Condominium at the Condominium's expense an annual audited statement prepared by an independent certified-public accountant (Weiser LLP, 135 West 50th Street, New York, NY 10020).

Legal includes general business matters as well as any collection matters that are not normally handled under the Management Agreement.

	Total	Tower Units
Legal for Tower Units	$10,000	$10,000
Tower Section Audit Costs	$3,000	$3,000
Residential Section Audit Costs	$4,000	$1,881
Condominium Audit Costs	$1,000	$421
Total	**$18,000**	**$15,302**

Legal costs will be allocated by Tower Common Interest unless there are specific legal costs that are associated with the Base Section, Residential Section, or Condominium, in which case those costs would be appropriately allocated based on actual usage. Portions of accounting costs are allocated to each of the Tower Section, Residential Section and Condominium according to Tower Common Interest, Residential Common Interest, and General Common Interest, respectively, as shown above.

(5) Administrative Expense - $50,793

Administrative Expense includes miscellaneous administrative expenses that are associated with the cost of operating the Tower Section and Residential Section. These expenses include items such as office equipment and supplies, postage, printing, hiring fees, bank charges, telephone, answering service, uniforms, resident relations (i.e. resident parties, resident surveys, etc), staff training, computers, personal assistant, and miscellaneous other expenses. Costs relating to the Residential Section will be allocated to Unit Owners by Residential Common Interest and Costs relating to the Tower Units will be allocated to the Tower Unit Owners by Tower Common Interest. Administrative costs exclusively associated with operating the Rental Section will be paid for by the owner of the Rental Unit.

	Total	Tower Units
Admin. Costs of Rental Unit	$28,659	$0
Admin. Costs of Tower Section	$10,959	$10,959
Admin. Costs of Residential Section	$84,717	$39,834
Total	**$124,335**	**$50,793**

The annual fee for base services from the Personal Assistant will be paid by the Sponsor for the first year of Condominium operation. If the Tower Unit Owners would like to continue with this service after the first year, the charge will be added as a Tower Common Charge and billed to the Tower Unit Owners according to Tower Common Interest.

(6) Amenity and Decoration Expense - $22,298

The cost of amenities that are available to the Residential Section (including the Residents' Fitness Lounge, Children's Playroom, Pet Spa, Business Center, and lobby library) are allocated to the Unit Owners by Residential Common Interest. The costs of amenities that are available only to the Tower Section are allocated to the Tower Unit Owners by Tower Common Interest. The costs of amenities that are available only to the Rental Section are paid by the Rental Unit Owner.

The planned decorations for the Residential Section include holiday, seasonal, and weekly lobby flowers. These costs will be allocated to the Unit Owners by Residential Common Interest.

	Total	Tower Units
Residential Section Amenities	$3,600	$1,693
Residents' Fitness Lounge	$6,000	$2,821
Tower Section Party Room	$1,000	$1,000
Rental Section Party Room	$1,000	$0
Residential Section Decorations	$35,696	$16,784
Total	**$47,296**	**$22,298**

(7) Elevator Maintenance - $37,062

There will be two (2) elevators dedicated to the Tower Section and their costs will be paid by the Tower Unit Owners. There will be four (4) elevators dedicated to the Rental Section and their costs will be paid by the Rental Unit Owner. There will be one (1) service elevator dedicated to the Residential Section and the costs will be allocated to Unit Owners according to Residential Common Interest. There will be one (1) Residential Fitness Elevator and the costs will be allocated to Unit Owners according to Residential Common Interest during the term of the Resident's Fitness Lounge Agreement as extended.

General Maintenance Expense Summary	Total	Tower Units
Tower Section Elevators (2)	$26,104	$26,104
Rental Section Elevators (4)	$46,768	$0
Residential Section Elevator (1)	$14,052	$6,607
Residential Fitness Elevator (1)	$9,255	$4,352
Total	**$96,178**	**$37,062**

These figures represent a contract between the Condominium and a to-be-determined elevator company which may be the original installer of the elevators. Estimates are based on Sponsor's experience in managing comparable properties in New York City.

(8) General Maintenance - $85,034

Tower Section Maintenance expenses will be allocated to the Tower Unit Owners according to Tower Common Interest. Residential Common Maintenance expenses will be allocated to the Unit Owners according to Residential Common Interest. Building Maintenance expenses will be allocated to the Unit Owners according to General Common Interest.

	Total	Tower Units
Tower Section Maintenance	$14,900	$14,900
Residential Common Maintenance	$143,805	$67,617
General Common Maintenance	$5,975	$2,517
Base Units' Maintenance	$30,599	$0
Total	**$195,279**	**$85,034**

Tower Section Maintenance is based on an estimate of repairs to the Tower Section that are for the benefit of the Tower Section only and are not Residential Common Expenses or General Common Expenses. No amount is included for items covered by construction warranties or to cover the cost of any major capital expenditure in the Tower Section. The budgeted figure does not include repairs, painting, maintenance, or supplies for individual Tower Units, all of which are the responsibility of the individual Tower Unit Owners. The Tower Section Maintenance expenses include the following:

Tower Section Maintenance	
Tower Section Roof Landscaping	$6,900
Misc Carpentry Repairs	$2,000
Misc Electrical Repairs	$2,000
Misc Hardware and Lock Repairs	$1,500
Misc Plumbing Repairs	$1,000
A/C Filters	$1,500
Total	**$14,900**
Allocation to Tower Units	**$14,900**

Residential Common Maintenance is based on an estimate of repairs to the Residential Common areas and the Resident's Fitness Lounge (during the term of the Resident's Fitness Lounge Agreement as extended) including, without limitation, the roof, the exterior of the Residential Section (including walls), the plumbing and electrical systems, painting of Residential Common areas, the heating system (including pipes and control devices regulating distribution in the Building) and various supplies (such as cleaning supplies and materials, lubricants, bulbs, public fixtures, general and hardware supplies). Residential Common Maintenance includes the following:

Residential Common Maintenance	
Fire/Alarm Systems	$4,362
Access Alarms	$15,683
Professional Fees	$2,592
Grounds Maintenance	$14,940
Boiler Maintenance	$25,595
Carpentry	$5,000
Electrical	$14,000
Hardware/Locks	$1,500
Plumbing	$11,000
Masonry	$140
Roof	$1,000
Window	$6,750
Fence	$200
Health and Safety	$1,510
Oil Tanks	$250
Air Conditioning	$13,236
P/D - Interior	$24,747
P/D Exterior	$1,300
Total	**$143,805**
Allocation to Tower Units	**$67,617**

General Common Maintenance is based on the requirements of New York City laws which state that the Condominium is responsible for maintaining the portion of the sidewalk adjacent to the Building in safe and clean order. General Common Maintenance includes the following:

General Common Maintenance	
Ground Supplies	$975
Snow Removal	$2,000
Sewer Maintenance	$1,000
Sidewalk Maintenance	$2,000
Total	**$5,975**
Allocation to Tower Units	**$2,517**

All budgeted amounts are based on the Sponsor's experience in operating newly constructed buildings of comparable size and quality.

(9) Salaries - $707,598

Tower Section salary expenses will be paid by the Tower Unit Owners. Residential Common salary expenses will be allocated to the Unit Owners according to Residential Common Interest. Building salary expenses will be allocated to the Unit Owners according to General Common Interest.

Salary Expenses Summary	Total	Tower Units
Tower Section Salary Expenses	$71,688	$71,688
Residential Common Salary Expenses	$1,343,162	$631,555
General Common Salary Expenses	$10,337	$4,355
Rental Section Salary Expenses	$280,157	$0
Total	**$1,705,344**	**$707,598**

Tower Section Salary Expenses

It has been estimated that for the first year of operation, 50% of one (1) Handyman's time will be allocated directly to the Tower Section for services including HVAC filter changes and minor repairs within the Tower Section. As such, the Tower Section salary expenses reflect the costs associated with the employment of one-half (0.5) Handyman. The remaining 50% of this employee's time and cost is allocated to the Rental Unit.

The amount included for temporary employees covers the cost of temporary janitors and handymen serving the Tower Section. Temporary janitors are hired to fill in for full-time janitors while they are on vacation. Temporary handymen are hired to fill in for full-time

handymen while they are on vacation, as well as to assist with changing the HVAC filters located within the Tower Section.

The Tower Section salary expenses are summarized in the following table:

Tower Section Salary Expenses		
Maintenance Salaries	0.5	$25,660
Temporary Employees	2.67	$29,537
Payroll Taxes		$6,188
Employee benefits		$747
Workmans Comp		$2,854
Union Benefits		$6,703
Total		**$71,688**

Residential Common Salary Expenses

The Resident Manager is responsible for proper operation and maintenance of the Building. It has been estimated that for the first year of operation, 90% of the Resident Manager's time will be allocated directly to the Residential Section. As such, the Residential Common salary expenses reflect 90% of the costs associated with the employment of the Resident Manager. The remaining 10% of the Resident Manager's time and cost is allocated to General Common salary expenses.

The Resident Service Specialist is responsible for the various services offered to residents of the Residential Section. It has been estimated that for the first year of operation, 50% of the Resident Service Specialist's time will be allocated to the Residential Section. As such, the Residential Common salary expenses reflect 50% of the costs associated with the employment of the Resident Services Specialist. The remaining 50% of the Resident Service Specialist's time and cost is allocated to the Rental Unit.

Based on Sponsor's experience operating residential buildings of comparable size and quality, it is estimated that the Residential Section will require six (6) janitors, eleven (11) doormen/concierges, and one (1) handyman. Temporary employees will also be required to provide coverage while full-time employees are on vacation.

The Residential Common salary expenses are summarized in the following table:

Residential Common Salary Expenses		
90% of Resident Manager's Salary	90%	$78,416
50% of Resident Service Managers Salary	50%	$29,360
Janitorial Salaries	6.0	$278,547
Doorman/Concierge Salaries	11.0	$484,152
Maintenance Salaries	1.5	$51,320
Temporary Employees	1.5	$15,242
Payroll Taxes		$82,824
Employee benefits		$21,646
Workmans Comp		$46,927
Union Benefits		$254,728
Total		**$1,343,162**
Allocation to Tower Units		**$631,555**

General Common Salary Expenses

It has been estimated that for the first year of operation, 10% of the Resident Manager's time will be allocated directly to maintenance of the Building. As such, the General Common salary expenses reflect 10% of the costs associated with the employment of the Resident Manager. The remaining 90% of the Resident Manager's time and cost is allocated to Residential Common salary expenses.

The General Common salary expenses are summarized in the following table:

General Common Salary Expenses		
10% of Resident Manager's Salary	10%	$8,713
Employee Benefits		$90
Workmen's Comp		$450
Union Benefits		$1,084
Total		**$10,337**
Tower Section Allocation		**$4,355**

All staff, with the exception of the Resident Service Specialist, will be members of Local 32B-32J Service Employees International Union AFL-CIO. The contract with Local 32B-32J Service Employees International Union AFL-CIO is effective as of April 21, 2006. These estimates assume the same increases in weekly wages as part of the Local 32B-32J Service Employees International Union AFL-CIO re-negotiation effective April 21, 2006. The contract with Local 32B-32J for superintendents is as of June 21, 2006. The Resident Manager will be paid according to the terms of this contract.

(10) Fuel - $248,311

The building is heated by two (2) dual-fuel cast iron hot water boilers. These boilers can be fueled either by fuel oil or natural gas. These boilers are expected to be powered by fuel oil #4, and the figures below reflect this expectation. These costs are allocated to the Unit Owners by Residential Common Interest. Projected expenses for the first year of operation are as follows:

Year	Projected Fuel Consumption	Average Cost of Fuel per Gallon	Projected Total Cost
2008	239,500 Gallons	$2.00/Gallon x 5% increase x 2 years	$528,097

Allocation to Tower Units: **$248,311**

Estimates are based on figures from I.M. Robbins Consulting Engineers, 15 West 44th Street, New York, NY 10036. The amount indicated above assumes that prices increase 5% per year over the next two years.

Oil shortages and other factors may increase the cost of fuel above current rates. It is believed that the current figure should be sufficient to cover the cost of fuel during the first year of operation. However, no warranty is made that the projection for gas will be in accordance with the actual cost of the same during the first year of Condominium operation.

(11) Electricity – Residential Common Areas - $279,419

This figure includes the cost of electricity for the Residential Common areas and does not include the cost of electricity to individual Apartments. Each Apartment resident will be responsible for electricity cost to his or her Apartment. Electricity for the Residential Common areas is purchased from Consolidated Edison through a single house electric meter including costs for the residential amenity areas, residential lobby, and cooling system for the Residential Common areas. The individual Apartments will be directly metered and the cost of electricity therefore will be billed to Tower Unit Owners and tenants on a monthly basis by Consolidated Edison.

Year	Projected Electric Consumption	Average Cost of Electricity (per KWH)	Projected Total Cost
2008	3,368,800 KWH	$0.16 per KWH x 5% increase x 2 years	$594,256

Allocation to Tower Section: **$279,419**

Estimates are based on figures from I.M. Robbins Consulting Engineers, 15 West 44th Street, New York, NY 10036. The amount indicated above assumes that prices increase 5% per year over the next two years.

(12) Water and Sewer - $103,202

The budget amount is predicated on a projected increase of 5% per annum of the current water charges and sewer rate over the next two years multiplied by the estimated building usage. The current unit cost of water and sewer is $4.27/CCF.

Year	Projected Water/Sewer Consumption	Average Cost of Water/Sewer (per CCF)	Projected Total Cost
2008	46,623 (CCF)	$4.27/CCF x 5% increase x 2 years	$219,486

Allocation to Tower Units: **$103,202**

Estimates are based on figures from I.M. Robbins, P.C., 15 West 44th Street, New York, NY 10036. The amount indicated above assumes that prices increase 5% per year over the next two years.

(13) Resident Manager's Apartment - $38,528

A Rental Apartment in the Rental Unit will be reserved for the use of the Resident Manager and rented to the Condominium Board. The Resident Manager's Apartment expense is allocated 90% to Unit Owners according to Residential Common Interest and 10% to Unit Owners according to General Common Interest.

	Total	Tower Units
90% Allocated to Residential Section	$74,520	$35,039
10% Allocated to Building	$8,280	$3,488
Total	**$82,800**	**$38,528**

Costs of the Resident Manager's Apartment include the annual rent, estimated electricity, cable, telephone service, and real estate taxes. The rent will be adjusted annually based on fair market value. The following are the anticipated Resident Manager's Apartment Expenses for the First Year of Condominium Operation:

Apartment Rent	$81,000
Cable	$840
Electricity	$600
Telephone	$360
Total	**$82,800**

(14) Gas for Cooking and Domestic Hot Water – $29,797

There is a common gas meter for the Residential Section that measures the use of natural gas for cooking and domestic hot water purposes, as well as for the fireplace located in the residential lobby. Gas is distributed throughout the Residential Section for these purposes. The projected total cost for gas is arrived at by multiplying the projected total consumption of gas by the prevailing current rate for gas costs, increased by 5% per annum over the next two years.

Year	Projected Natural Gas Consumption	Average Cost of Natural Gas (per Therm)	Projected Total Cost
2008	57,480 Therms	$1.00/Therm x 5% increase x 2 years	$63,371

Allocation to Tower Units: **$29,797**

Estimates are based on figures from I.M. Robbins Consulting Engineers, 15 West 44th Street, New York, NY 10036. The amount indicated above assumes that prices increase 5% per year over the next two years.

Natural gas shortages and other factors may increase the cost of gas above current rates. It is believed that the current figure should be sufficient to cover the cost of gas during the first year of operation. However, no warranty is made that the projection for gas will be in accordance with the actual cost of the same during the first year of Condominium operation.

(15) Other Operating Expense - $24,295

All of the Other Operating Expenses are allocated to Unit Owners according to Residential Common Interest.

Other Operating Expenses	
Janitorial Supplies	$29,217
Extermination	$9,656
Rubbish Removal & Plastic Bags	$10,990
Miscellaneous	$1,807
Total	**$51,670**
Allocation to Tower Units	**$24,295**

(16) Insurance - $49,379

The quoted insurance premium is based on a letter, dated December 20, 2005 from Aon Risk Services setting forth the following proposed coverages:

	Coverage and Perils	Estimated Amounts
A.	**Property**	
	Real & Personal Property / Business Income / Rents and Additional Expenses Deductible $25,000 All Other Perils	$500,000,000
	Demolition/Increased Cost of Construction / Building Ordinance	$25,000,000
	Earthquake & Flood (Annual Aggregate)	$500,000,000
	Terrorism	$500,000,000
B.	**Boiler & Machinery**	
	Comprehensive Form Combined Limit - Property Damage / Time Element Repair and Replacement, Service Interruption Deductible - $25,000	$100,000,000
C.	**Commercial General Liability**	
	General Aggregate - Per Location	$2,000,000

Each Occurrence	$1,000,000
Personal & Advertising Injury	$1,000,000
Products/Completed Operations Aggregate	$2,000,000
Fire Damage Legal Liability	$1,000,000
Medical Payments - each person	$25,000
Hired Car/Non-Owned Automobiles	$1,000,000
Water Damage Legal Liability	Included
Notice and Knowledge of Occurrence	Included
Unintentional Errors & Omissions	Included

D. Commercial Umbrella

Occurrence/Aggregate	$100,000,000

E. Workers Compensation Statutory Limits

F. Directors & Officers Liability

Wrongful Act/Aggregate Retention - $1,000	$1,000,000

G. Commercial Crime

Employee Dishonesty Deductible - $50,000	$1,000,000

Total Annual Premium	$109,536
Total Annual Fees	$ 7,667
Total Insurance Cost	$117,203
Allocation to Tower Units:	**$ 49,379**

For the First Year of Condominium Operation, the insurance premiums for the Condominium will be allocated according to General Common Interest.

The coverages and pricing for this quote are part of the Master Insurance Program for The Related Companies, L.P. The limits, deductibles and premium indicated are based on current pricing and availability, and reflect the beneficial rates that Sponsor is able to obtain because of its corporate purchase power, and cannot be guaranteed. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the First Year of Condominium Operation or that the Condominium will be able to obtain favorable rates when Sponsor is not involved in the Condominium. It is also not possible to predict the availability of terrorism or certain other types of coverage. Purchasers should be aware of the possibility of rate increases and/or changes in coverage, limits, and deductibles.

The following coverages are not included and may be available at an additional cost: elevator collision; fidelity bond; and garage keeper's liability.

The above captioned Property coverage waives coinsurance (agreed amount clause) and is written on a replacement cost basis. There is no margin clause or occurrence limit of liability provision in the property insurance program. The fire, casualty and general liability policies will include the following terms:

1. Policies will not be canceled without notice to the board of managers,
2. Waiver of subrogation,
3. Waiver of invalidity because of acts of the insured and Unit Owners,
4. Each Unit Owner is included as additional insureds as respects common areas,
5. Waiver of pro rata reduction if Unit Owners obtain additional coverage.

The Board is not required to purchase terrorism insurance or mold insurance, and may only do so if such insurance is available at commercially reasonable rates.

The initial Managing Agent will be Related Management Company, L.P., which is an affiliate of Sponsor and The Related Companies, L.P. ("Related"). It is anticipated that Managing Agent will purchase insurance on behalf of the Board through Related's master insurance program, resulting in a cost savings to the Board compared to the cost of a stand-alone insurance that the Board may otherwise be required to obtain. It should be noted that if Related Management Company ceases to be managing agent for any reason (or if the Board ceases to buy insurance through Related's master insurance policy for any other reason whatsoever), the cost of insurance to the Board may increase significantly.

While a policy of public liability insurance will be obtained by or on behalf of the Board on or before the First Closing, this and the other coverages herein described do not include coverage for claims for personal injury or property damage resulting from occurrences in individual Tower Units or the Base Units, nor do they include coverage of the Units, fixtures, furniture, furnishings or other personal property contained in such Unit.

See the "Insurance" Sub-Section in Part I of the Plan, in the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" regarding the requirement that each Unit Owner maintain his own casualty insurance policy and property insurance policy for Unit.

Unit Owners should note the following are not included, and such Unit Owner may desire to obtain the following additional insurance, at his or her own cost and expense: fire and casualty losses to Unit contents, replacements, additions, fixtures and improvements; liability coverage for occurrences within the Unit or limited common elements, as applicable.

For the First Year of Condominium Operation, the insurance premiums for the Condominium will be allocated according to General Common Interest. In future years, the insurance expenses may be allocated to the Tower and Base Sections based on General Common Interest, Residential Common Interest, and Tower Common Interest depending on the specific insurance coverage.

(17) Fitness Facility - $281,419

This figure includes the expense of the Tower Bulk Memberships and the Fitness Concierge. The Tower Bulk Memberships are for the Tower Units only and as such the cost will be a Tower Common Charge and allocated to the Tower Units by Tower Common Interest. During the term of the Resident's Fitness Lounge Agreement as extended, the cost associated with the Fitness Concierge (as well as costs of the Resident's Fitness Lounge and Residents' Fitness Elevator shown elsewhere in this Schedule B) will be a Residential Common Charge and allocated to the Units by Residential Common Interest.

	Total	Tower Units
Tower Bulk Memberships	$229,932	$229,932
Fitness Concierge	$109,500	$51,487
Total	**$339,432**	**$281,419**

Tower Bulk Memberships

Sponsor will enter into an agreement (the "Tower Fitness Facility Agreement") with the Fitness Facility Operator to provide memberships to the Tower Section. Under the terms of the Tower Fitness Facility Agreement (which will be assigned to the Condominium Board prior to the First Closing) for a period of five (5) years, the Tower Unit Owners will receive memberships to the Fitness Facility. Each 0 Bedroom Tower Unit Owner will receive one (1) membership and all other Tower Unit Owners will receive two (2) memberships. These memberships ("Tower Bulk Memberships") will entitle the occupant using such memberships to the Membership Privileges for such five (5) year period, without paying any other fees whatsoever, including any initiation or membership fees.

Pursuant to the Tower Fitness Facility Agreement, the Tower Section will pay an annual fee to the Fitness Facility Operator (the "Fee") for the five (5) year period, which will commence on the start of the First Year of Condominium Operation (reduced initially on a pro rata basis based on the actual closings of the Tower Units). The Fee will be a Tower Common Charge and allocated to the Tower Units according to Tower Common Interest. The calculation of the Fee is based on a 58% bulk purchase discount on regular membership fees and no initiation fee. The annual Fee is estimated to be approximately $229,932 for the first year based on current regular membership rates. The Fee will be

paid monthly and will be recalculated annually based on the discount formula for the then prevailing regular membership fees (based on 12 times the monthly fee), thus it is likely to be increased on an annual basis.

The Fitness Facility Operator may charge additional fees for massage, personal training, consulting, nutritional counseling, etc. The Fitness Facility Operator may also charge additional fees for expanding Membership Privileges to include access to Fitness Facility Operator's facilities at other locations.

In addition to the Tower Bulk Memberships, residents in the Tower Units may obtain additional memberships without paying any initiation fee and will receive a discount for its membership fee at a rate equal to fifteen percent (15%) of the prevailing monthly dues charged by the Fitness Facility Operator (the "Discount Rate"). Any occupant of a Tower Unit in the Building receiving Tower Bulk Memberships will not be required to pay an initiation fee and will receive the Discount Rate after such five (5) year period shall expire.

There is no guarantee that the Fitness Facility will remain in business for any set period of time. Should the Fitness Facility cease operations, the Condominium Board may terminate the Tower Fitness Facility Agreement. There is no guarantee as to the nature, quality, or frequency of services that will be provided by the Fitness Facility Operator or as to the price of additional fees that will be charged for services such as massage, personal training, consulting, nutritional counseling, etc.

Fitness Concierge

During the term of the Resident's Fitness Lounge Agreement as extended, Tower Unit Owners with Fitness Facility memberships will have access to the Resident's Fitness Lounge. It is the intention that the Resident's Fitness Lounge be staffed by a "Resident's Fitness Concierge" during certain times to provide a private check-in area for the Fitness Facility as well as assist residents with access to, information on, and programs at the Fitness Facility. During the term of the Resident's Fitness Lounge Agreement as extended, the cost of the Fitness Concierge will be a Residential Common Charge and allocated to Unit Owners according to Residential Common Interest. It is intended that the Fitness Concierge will be an employee of the Fitness Facility Operator and the Condominium will reimburse the cost of the Fitness Concierge. Based on staffing at peak hours, the estimated cost of reimbursement for the Residential Section is $109,500.

SCHEDULE B - 1 ESTIMATED ENERGY COSTS

I.M. ROBBINS P.C.

CONSULTING ENGINEERS / 15 WEST 44TH STREET / NEW YORK, N.Y. 10036
TELEPHONE: (212) 944-5566 / FAX: (212) 944-5597

November 30, 2006

The Related Companies, LP
60 Columbus Circle
New York, NY 10023

Attn: Steve Gaffney

Re: 450 West 17th Street

Gentlemen:

In accordance with your request, we list below estimate of annual electric energy costs for lighting, seasonal heating (fan operation), air conditioning, and for operating the typical electrical appliances located in each apartment.

The estimated KWHR per year per square foot and annual cost of electricity per square foot utilized by individual apartments 13.06 KWHR/Sq.Ft/Year and $2.09 per square foot, based on Con Edison rate of $0.16 per KW Hour. The following table lists Annual Cost of Electricity for Typical Apartments.

UNIT #	TYPE	SQ.FT.	TOTAL ANNUAL KWHR	TOTAL ANNUAL COST
2006	0BR / 1BTH	531	6,948	$1112
2101	1BR / 1BTH	739	9,666	$1547
1208	1BR / 2BTH	827	10,817	$1731
2106	2BR / 2BTH	1164	15,225	$2436
2107	3BR / 3BTH	1890	24,721	$3956

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

Very truly yours,

Irving M. Robbins

IMR/AF

I.M. ROBBINS P.C.

CONSULTING ENGINEERS / 15 WEST 44TH STREET / NEW YORK, N.Y. 10036
TELEPHONE: (212) 944-5566 / FAX: (212) 944-5597

December 9, 2005

The Related Companies
60 Columbus Circle
New York, NY 10023

Attn: Steve Gaffney

Re: Residential Common Charges (Tower & Low Rise Units)
450 West 17th Street, NY

Gentlemen:

In accordance with your request, we list below reasonable figures of Public Energy Usage for the above subject Residential Section of Project.

1. Public Light & Power	3,368,800 KW/HR/YR @ 0.16/KW/HR	=	$539,000 per yr.
2. Gas Cooking (Single meter)	5,748,000 cu.ft./yr. of gas @ $10.00/1,000 cu.ft.	=	$57,480 per yr.
3. Boilers - #4 Oil	239,500 Gal #4 oil @ $2.00/Gal	=	$479,000 per yr.
4. Water & Sewer (Water is metered)	46,623 HCF x $4.27/HCF	=	$199,078 per yr.

This figures are consistent with other buildings of similar construction and type. Energy prices shall vary as per Market rate and Weather conditions.

Very truly yours,

Irving M. Robbins

IMR/af

LICENSED PROFESSIONAL ENGINEER
IRVING M. ROBBINS
Lic. No. 27841
STATE OF NEW YORK

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

PENMARK
REALTY CORP

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

July 27, 2006

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

Re: Condominium Offering Plan
450 West 17th Street
The Caledonia Condominium
New York, New York ("Property")

Dear Sir/Madam:

450 West 17th Associates LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Penmark Realty Corporation ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over 40 years and have been actively associated with sale and management of condominium and cooperative buildings.

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

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

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

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

Very truly yours,

PENMARK REALTY CORPORATION

By: _____
Name: Bernard Friedman
Title: President

BASE UNITS

The Base Units will initially be comprised of five (5) Base Units consisting of one (1) Rental Unit, consisting of two hundred eighty-eight (288) Rental Apartments, the Residents' Fitness Lounge and other ancillary spaces, one (1) Retail Unit, one (1) Fitness Facility Unit and two (2) Garage Units. Developer has applied for a special permit to permit the Developer to create 210 parking spaces in the Garage Units. The Base Units will initially be retained by the Developer. The Base Units will include space that may be utilized for any purposes permitted by Law, including, without limitation, use as residential, restaurants, banks, parking, retail stores, bicycle storage, valet room, management offices, storage or commercial and professional offices. There are no limits upon the use to which the Base Units may be put provided; however, that the Base Units may only be used in accordance with applicable law.

The Condominium Board will have no right to restrict or limit the method of operation, use or appearance of any Base Unit which are permitted by Law. All or any part of the Base Units may be leased or subleased by the Base Unit Owners, all as more fully set forth in the Declaration. The Base Units may be sold without prior notice. The Plan must first be amended should any Base Unit be offered for sale. The Tower Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any portion of the Base Units.

Sponsor anticipates that Developer will enter into a lease with an affiliate of Equinox Holdings Inc. ("Equinox") for the Fitness Facility (the "Equinox Lease"). Under the terms of the Equinox Lease, Equinox will be the initial Fitness Facility Operator. The Equinox Lease will have an initial term of fifteen (15) years from the date that Equinox is obligated to start paying rent under the Equinox Lease. Equinox will have the option to extend the term of the Equinox Lease for two (2) additional periods of five (5) years each.

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

The basis for projecting the share of General Common Expenses attributable to the Base Units is each Base Unit's respective General Common Interest and the basis for projecting the share of Residential Common Expenses attributable to the Rental Unit is its Residential Common Interest, except that, as described below and in Schedule B, the Base Unit Owners share the costs for insurance, general maintenance and legal and audit and repairs and Maintenance in accordance with its Common Interests or upon its usage, as more particularly set forth in Schedule B. Other costs such as but not limited to the Tower Common Expenses are not borne at all by the Base Unit Owners because such utilities and/or services are either separately metered for or not used by or do not benefit the Base Unit Owners.

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

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

The Base Unit Owners have the right to freely sell their respective Units, or to freely lease all or part of any Base Unit, as the case may be, without having to first offer the same for sale or lease to the Condominium Board.

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

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

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

any Units in the Building and after the Developer no longer owns the Base Units. Common Elements may be used by Sponsor or Developer for any lawful purposes including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing satellite dishes and other communication equipment on the roofs and facade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto and (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the Maintenance thereof; provided that access to any Unit or Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and residents of the Base Section or with the use of the Tower Units for their permitted purposes. The aforementioned easements may be used by Sponsor, Developer, its designee, tenant, assignee or licensee for its own account or the account of any designee, tenant, licensee or assignee of Sponsor or Developer for the purpose of servicing the Condominium or any other building or area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor, Developer, its designee, tenant, assignee or licensee for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the roof, the facade of the Building or any other portion of the Common Elements by Sponsor, Developer, its assignee or licensee shall be the exclusive property of Sponsor, Developer, its designee, tenant, assignee or licensee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto.

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

CHANGES IN PRICES AND UNITS

Changes in the Tower Section

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

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

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

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

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

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

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

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

As long as the layout and dimensions of a Tower Unit conform substantially to the Tower Unit Plans, a Purchaser will not be excused from purchasing the Tower Unit and will not have any claim against Sponsor as a result of any insubstantial or immaterial change or discrepancy.

PROCEDURE TO PURCHASE

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

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

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

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

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

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

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

INTERIM LEASES

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

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

due and payable no later than the earlier to occur of: (i) twelve (12) months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection. The Initial Deposit and the Additional Deposit are hereinafter collectively referred to as the "Deposit."

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

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

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

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

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

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

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

The provisions of the Interstate Land Sales Full Disclosure Act (the "Interstate Land Sales Full Disclosure Act") state that except in the case of an exempt transaction, a developer may not sell or lease lots in a subdivision, making use of any means or instruments of transportation or communication in interstate commerce, or of the mails, unless a statement of record (a "Statement of Record") is then in effect in accordance with the Interstate Land Sales Full Disclosure Act. Sponsor believes that the Condominium is currently not exempt from the provisions of the Interstate Land Sales Full Disclosure Act. In such instance, the amount of the Deposit to be retained by Sponsor upon Purchaser's failure to cure a default after the expiration of the thirty (30) day notice and opportunity to cure period will be the greater of (i) fifteen percent (15%) of the Purchase Price (excluding any interest owed) or (ii) the amount of damages incurred by Sponsor due to the default. For purposes hereof, "damages" mean actual damages resulting from the default, as determined under New York State law.

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

If a Purchaser fails for any reason to close title to the Tower Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Tower Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under

the Agreement and this Plan, an amount equal to 0.03% of the purchase price of the Tower Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

It is anticipated that the First Closing will occur by the commencement date for the First Year of Condominium Operation as set forth in Schedule B which is July 1, 2008. If the First Closing does not occur by January 1, 2009, as such date may be extended by duly filed amendment to the Plan, Sponsor will amend the Plan to update the budget and to offer Purchasers the right to rescind their Agreements within fifteen (15) days after the presentation of the amendment disclosing the updated budget, and any Purchaser electing rescission will have their Deposits and any interest earned thereon returned. If the Plan is withdrawn or abandoned, the Deposit previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within fifteen (15) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth.

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

liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

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

From and after the Closing of each Tower Unit, Purchaser will become obligated for the payment of Common Charges, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to such Tower Unit Owner's Unit, whether or not the Tower Unit Owner has taken possession of such Tower Unit Owner's Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to the Tower Unit or the Building has been completed.

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

At the closing of title and simultaneously with the delivery of the deed conveying a Tower Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board, Developer and Sponsor substantially in the form set forth in Part II of the Plan. Purchaser's failure to duly complete and sign before a notary public and deliver at closing the power of attorney will constitute an event of default under the Agreement, in which case Sponsor may, at its option, cancel such Agreement and retain the Deposit made by Purchaser, together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate. In addition, Sponsor shall also be entitled to retain (i) any costs or expenses incurred by Sponsor for special work requested by Purchaser and (ii) the reasonable cost to restore the Tower Unit to its condition prior to such special work being performed. Sponsor will be entitled to maintain an action against purchaser for such additional costs.

Escrow and Trust Fund Requirements

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

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

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds

is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in an Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

All Deposits made by Purchasers prior to the closing of each individual transaction, will be placed, within five (5) business days after tender of the Deposit and executed Agreement by Purchaser to Sponsor or Selling Agent, in a segregated special escrow account of Michael, Levitt, Goldberger & Rubenstein, LLC, the escrow agent (the "Escrow Agent"), whose address is 60 Columbus Circle, 20th Floor, New York, New York 10023 and whose telephone number is (212) 801-3767. Escrow Agent has established a master escrow account at Bank of America, Escrow Management Services at its branch located at 1 Fleet Way, Scranton, PA entitled Michael, Levitt, Goldberger & Rubenstein, LLC Caledonia Escrow Account, Number [redacted] (the "Master Escrow Account"). The attorneys who are signatories on this account authorized to withdraw funds are: Bernard J. Michael, Daniel A. Goldberger and Jeffrey A. Levitt. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8BEN, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or Form W-8BEN, signed and fully completed with the taxpayer identification number, if required, the Deposit will remain in the non-interest bearing checking portion of the Master Escrow Account and Sponsor will have no obligation to provide interest to a Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon. Bank of America is covered by federal bank deposit insurance to a maximum of $100,000 per individual deposit. The following are special risks of this offer: (i) if a Purchaser makes a Deposit in excess of $100,000 for the purchase of a unit, such Deposit will not be federally insured in excess of $100,000; and (ii) while the Deposit is in the non-interest bearing checking portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $100,000.

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

Acceptance of the Deposit by Sponsor or Selling Agent and the placement of the Deposit into the special escrow account, shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes an Agreement and Sponsor or Selling Agent

executes a duplicate thereof and delivers the Agreement to Purchaser in accordance with the terms of the Plan.

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

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Agreement, or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts which varies. When last confirmed by Sponsor, the rate was 2.96% for Deposits. Sponsor makes no representations or guaranties that the interest rate paid on Deposits will not increase or decrease and makes no representations regarding the interest which will be paid on the Deposits. Interest will begin to accrue within: (i) three (3) business days, if the Deposit is cash or cash equivalent, or (ii) five (5) business days, if the Deposit is other than cash or cash equivalent. All instruments shall be made payable directly to the order of "Michael, Levitt, Goldberger & Rubenstein, LLC, as Escrow Agent." Endorsed instruments will not be accepted. Information regarding the Escrow Account may be provided to Sponsor and Sponsor's construction lender which may be entitled to access to records with respect thereto.

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

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

Before funds are transferred to a new escrow account, or if the Escrow Agent is replaced, the Plan must be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow agreement as was originally provided herein. A bond, letter of credit or other security may be substituted for the escrow account only after the Office of the Attorney General approves in writing the use of such alternate form of security.

With respect to the release of the Deposit, under no circumstances shall Sponsor apply for a release of the Deposit of a defaulting purchaser until after consummation of the Plan. The consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h. Within ten (10) business days after tender of the Initial Deposit, Escrow Agent will notify Purchaser that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. If Purchaser does not receive notice of such Deposit within fifteen (15) business days after tender of the Deposit, Purchaser may cancel the

purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Deposit. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

EFFECTIVE DATE

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

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., Agreements signed by bona fide purchasers for fifteen percent (15%) of the Units offered under the Plan).

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

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

Prior to being declared effective, the Plan may, at the option of Sponsor, be abandoned at any time for any reason. After the Plan has been declared effective, the Plan may be abandoned in the event of: (a) the existence of one or more title defects (including violations of record or work orders of a mortgagee or insurance carrier) affecting any one or more Units or the Property that cannot be removed, cured or complied with without litigation or for less than one-half of one percent of the total offering in the aggregate, (b) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than one half of one percent of the total offering; or (c) a taking of all or part of the Property in condemnation proceedings or by eminent domain. Any stated dollar amount relied upon as a basis for abandonment after effectiveness must exclude any attorney's fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record.

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

TERMS OF SALE

The term "Closing" as used herein refers to the conveyance of title to a Tower Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the purchase price for such Tower Unit. The Closing to each Tower Unit shall be held at the offices of Sponsor's attorneys, Michael, Levitt, Goldberger & Rubenstein, LLC, 60 Columbus Circle, New York, New York 10023 or at such other place as Sponsor may designate on not less than two (2) business days' prior notice. The Closing to each Tower Unit shall take place only after or concurrently with the following events:

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

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

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

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

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

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

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

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

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

Neither Sponsor nor Developer is obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, and Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Agreement, together with interest earned thereon, if any, and neither party shall have any further liability to the other except (i) if Purchaser is in default under the Agreement, Sponsor will retain any such sums as and for liquidated damages and (ii) Sponsor may retain escrow funds equal to the cost for special work performed at the request of the Purchaser as well as the cost of any work necessary to restore the Tower Unit to its condition prior to such work having been performed.

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

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

instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments.

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

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

wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, or due to homeowner's failure to maintain consistent temperature; (xiii) repair of chips, scratches, mars, breaks, dents, cracks or other defects in: exterior stone; windows, window glass, frames and hardware; insulation attached to the curtain wall; sliding glass doors, frames, door glass and hardware; louvers; shower doors; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, waterclosets; kitchen cabinets, backsplashes and countertops; vanity tops and cabinets; all tile or natural stone floors and walls; saddles; all appliances; woodwork, millwork and doors; mirrors and after the Unit Closing, paint touch-ups, repair of dented appliances, or replacement of light bulbs; (xiv) cracks or variations in tone or color of natural stone or variations in tone or color of vanity tops or any other natural stone surfaces; (xv) leaching or color variation in color mortar and colored brick, and dimensional variations in brick joints, and mortar droppings on bricks; (xvi) ponding and/or controlled drainage on the roof surface; (xvii) cracks in pressure-treated lumber used or intended for use outside the Building; (xviii) cracks or discoloration in concrete used in cellar walls and paving; (xix) discoloration to hardware and plumbing finishes; (xxi) stains, runs, lumps, shags or imperfections in weave in fabric panels; (xx) scratched, dirty or cracked lenses in light fixtures; or (xxi) Terrace and/or Balcony tiles not laid flat, or color variation in tiles or mortar, or stained tiles; (xxii) subsequent to the Tower Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, or (xxiii) salting or color variation in exterior colored mortar and deep colored brick. Sponsor or Developer will be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair will be made by filling the stone or formica or refinishing the porcelain, but Sponsor will not be obligated to replace such stone, formica or porcelain surfaces. THE ITEMS AND CONDITIONS DESCRIBED IN THIS PARAGRAPH ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A TOWER UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING. NEITHER SPONSOR NOR DEVELOPER HAS ANY OBLIGATION TO CORRECT OR REPAIR ANY OF THESE ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE CONDOMINIUM BOARD THEREFOR. IF PURCHASERS OR THE CONDOMINIUM BOARD DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR OR DEVELOPER.

As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor," Sponsor and Developer are obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Neither Sponsor nor Developer is making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins.

There is no warranty as to view or light quality. The sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable codes and files plans and specifications, and any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control.

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

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

CLOSING COSTS AND ADJUSTMENTS

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

(a) Purchaser will pay a contribution to the Working Capital Fund in an amount equal to two (2) month's Common Charges then applicable to each Unit being purchased.

(b) Purchaser will pay the cost for title insurance which will vary depending upon the purchase price of the Tower Unit. The premium as of the date of this Plan for owner's title insurance is currently seventy percent (70%) of the sum of $402 for the first $35,000 of fee insurance plus from $6.67 to $2.76 for each $1,000 of additional fee insurance or fraction thereof depending on the amount of insurance. The premium for mortgage title insurance is currently seventy percent of the sum of $344 for the first $35,000 of coverage plus from $5.55 to $2.31 for each $1,000 of additional mortgage title insurance or fraction thereof depending on the amount of insurance. These rates are subject to change without notice. Each title company utilized by a Purchaser must agree to submit all real estate transfer tax forms required to be submitted in connection with the conveyance of a deed to a Purchaser and all transfer taxes due in connection therewith (as more particularly summarized in subparagraphs (e) and (f) below) and will be obligated to indemnify Sponsor for such title company's failure to file such transfer tax forms and remit the required transfer taxes in connection therewith in a timely manner.

(c) Purchaser will pay a fee for recording the deed, Power of Attorney, mortgage, if any and any other document being $300.00 for each deed which includes the filing fees for the New York City RPT-5217 and TP-584 and $50 for each additional instrument plus $5.00 per page as collected by Royal Abstract of New York LLC (each title company establishes its own additional service and surcharges in this regard).

(d) If Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s); alternatively, Sponsor may require, in its sole discretion, that a Purchaser, who is financing the purchase of said Tower Unit with a purchase money loan secured by a mortgage (the "Purchase Money Mortgage"), must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, the Purchase Money Mortgage will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which

would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

(e) Purchaser will pay the New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of a single Tower Unit is one (1%) percent of the purchase price of a Unit of $500,000 or less (1.425% of the purchase price, assuming a purchase price over $500,000), and the New York State Real Estate Transfer Tax ("NYS Tax"), presently $2.00 for each $500.00 (or part thereof) of the purchase price of a Tower Unit. Purchasers will also be obligated to pay the filing fee for the RPT Tax form which is currently $75.00. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. Therefore, the steps to compute the tax are:

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

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

III Add the tentative taxes to the purchase price.

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

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

Example for the purchase of a Tower Unit :

Purchase price = $1,150,000

(1)	$1,150,000 x 1.425%	= $ 16,387.50
(2)	$1,150,000 x .4%	= $ 4,600.00
(3)	$1,150,000 + $20,987.50	= $1,170,987.50
(4)	$1,170,987.50 x 1.425%	= $ 16,686.57
(5)	$1,170,987.50 x .4% (rounded up)	= $ 4,684.00

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

positions with respect to the foregoing. Purchasers of Tower Units should consult their own tax advisors regarding recent New York City Tax Appeals Tribunal decisions rejecting the above interpretation.

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

(g) The legal fees of Sponsor's attorneys in the amount of $1,350 will be payable by a purchaser to Michael, Levitt, Goldberger & Rubenstein, LLC. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Michael, Levitt, Goldberger & Rubenstein, LLC, in connection with the closing of title to Purchaser's Unit. If the Purchaser requests the Closing to occur other than at the offices of Michael, Levitt, Goldberger & Rubenstein, LLC or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan. In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement. Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit. In addition to an attendance fee in connection with a completed Unit transfer, Sponsor's attorneys shall also be entitled to an attendance fee of $500 if the scheduled closing is adjourned through no fault of Sponsor, the determination of which shall be within the sole discretion of Sponsor's attorneys. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request.

(h) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording tax, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. As of June 1, 2005, the mortgage recording tax for mortgages for Tower Units where the mortgage is under $500,000 is $2.05 for each $100 of principal. The mortgage recording tax for Tower Units for mortgages in the amount of $500,000 or greater is $2.175 for each $100 of principal. The tax is reduced for Tower Units in both instances by $30.00 if the mortgage principal exceeds $10,000. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As previously stated in paragraph (e) above, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. In addition, where a Purchaser obtains a mortgage loan, the Purchaser will be responsible for all costs

associated therewith, including, without limitation, costs incurred in connection with the mortgage application, bank's attorney, survey, appraisal, credit report and points.

The following table illustrates the projected closing costs (based on current rates) for a Tower Unit in the Building at a Purchase Price of $1,150,000, assuming such Purchaser finances seventy five (75%) percent (i.e., $862,500) of the purchase price:

Fee Title Insurance (if purchased simultaneously with mortgage title insurance)	$ 5,057.00
Fee for recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)	$ 400.00
Mortgage Loan Closing Costs - recording mortgage (assuming 20 pages)	$ 300.00
- mortgage recording tax at 1.75% of mortgage under $500,000 or 1.875% if $500,000 or more (less $30 exemption for first $10,000) a portion of which will be paid directly to Sponsor	$ 16,141.88
- mortgage title insurance (if purchased simultaneously with fee title insurance)	$ 994.00
- other bank charges (appraisal fee of $275 and legal fees of $350 and assuming further that the lender does not require Purchaser to deposit funds to establish a real estate tax escrow)	$ 625.00
RPT Tax and NYS Transfer Tax (inclusive of $75 filing fee for New York State Transfer Report RP-5217NYC)	$ 21,445.57
Mansion Tax if purchase price is over $1,000,000 (increased by RPT Tax and NYS Transfer Tax bulk-up)	$ 11,714.46
Working Capital Payment (two month's common charges)	$ 1,633.36
Closing Fee (assuming the closing occurs at the offices of Sponsor's counsel) +	$ 1,350.00
TOTAL	$ 59,661.27

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

In addition to the above-specified costs and expenses, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender one-twelfth (1/12) of the estimated annual real estate taxes and tax assessments which are assessed or to be assessed against the Unit, together with one-twelfth (1/12) of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with the lender a multiple of the aggregate of such one month's real estate taxes, tax assessments and insurance premiums, or other amounts, in order that sufficient funds will be available for the lender to pay the same when due and such sums may be due even if a real estate tax escrow is paid to the Condominium Board at Closing.

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

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

If a Purchaser fails for any reason to close title to the Tower Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other

payments to be made to Sponsor under the Agreement and this Plan, an amount equal to 0.03% of the purchase price of the Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

Except as specifically set out in this Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of this Plan, the creation of the Condominium and the initial sale of Tower Units, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the initial sale of Tower Units pursuant to this Plan, advertising, printing and architects' fees, the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the effective date of the Plan, in connection with the obligations of Sponsor (see the Section entitled "Rights and Obligations of Sponsor".)

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations
with Respect to the Building

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

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

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

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

Under the present construction schedule, it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner and specialized work, if any, which Sponsor agrees to perform in individual Units at the request of Tower Unit Owners, a first temporary certificate of occupancy could be issued in June 1, 2008 and the Building will be substantially completed by September 1, 2008, subject to Unavoidable Delays. Neither Sponsor nor Developer, however, make any warranty or representation as to the date of the issuance of the temporary certificate of occupancy or the date of substantial completion due to Unavoidable Delays. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the first years of Condominium operations, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction, which may occur at all hours and could compromise the Building's security systems. During this period, various building systems, including but not limited to water supply,

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

(b) Developer will obtain a temporary or permanent certificate of occupancy for the Building. A permanent Certificate of Occupancy is required for permanent residential use of the Building and the Tower Units. Temporary residential use of the Building is permitted upon the issuance of a temporary Certificate of Occupancy, but if a temporary Certificate of Occupancy, which may be extended up to a total of two (2) years, expires prior to obtaining a permanent Certificate of Occupancy, residential occupancy of the condominium will be in violation of the Multiple Dwelling Law, subjecting the residents of the Building, the Tower Unit Owners and the Condominium Board to penalties under the Multiple Dwelling Law, including, possibly, the eviction of residential occupants. Neither Sponsor nor Developer make any representation or guarantee that the Department of Buildings will issue a permanent certificate of occupancy within two (2) years after issuance of the first temporary certificate of occupancy. In the event that Developer does not obtain a permanent certificate of occupancy for the Building, the Condominium Board will be obligated to obtain the permanent certificate of occupancy and any costs associated therewith could be assessed against all Unit Owners as a Common Expense.

(c) Each Tower Unit and the fixtures and personal property contained therein are being sold and delivered as described in the Plan, at the time of transfer of title to such Tower Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Tower Unit, and the fixtures and personalty contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Tower Unit shall have the right to inspect such Unit prior to the Closing Date. However, the failure of Sponsor to complete "punch list" type work shall not be a ground for Purchaser delaying the Closing provided that Sponsor agrees to complete such work promptly after closing.

(d) If Developer fails to obtain a permanent Certificate of Occupancy for the Property prior to the First Closing, Developer will be obligated to: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all Agreements (see the

Section entitled "Procedure To Purchase") which would otherwise be payable to Sponsor in the special trust account required by the General Business Law of the State of New York, Sections 352-e(2-b)and 352-h, provided, however, that if Developer's Architect certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete all alterations and improvements to be performed by Developer, then the amount exceeding the sum so certified by Developer's Architect shall be released from the special escrow account to Sponsor; or (ii) Developer shall deposit with Escrow Agent an unconditional, irrevocable letter of credit, deposit cash or post a surety bond, or provide other collateral acceptable to the Department of Law, in an amount Developer's Architect, from time to time, certifies is reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy. Any amount held in escrow, in excess of the amount certified as reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy, can be released from escrow upon the receipt by Escrow Agent of a request by Sponsor. Escrow Agent will rely entirely upon such certificate in releasing such funds and will not make any independent inquiry or evaluation. All interest and income on such escrowed funds may be paid to Sponsor, as and when earned and collected. The fact that various portions of the Common Elements or other Units may not have been completed prior to a scheduled Closing, shall not provide a basis for Purchaser delaying the closing or receiving any abatement or credit against the Purchase Price.

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

(f) As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Developer is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Neither Sponsor or Developer is making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to view or light quality. The sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable codes and files plans and specifications, and any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes

and filed plans and specifications shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control. See the Section entitled "Rights and Obligations of Sponsor" under the Subsection entitled "Sponsor's Obligations With Respect to the Building" in Part I of the Plan for further discussion.

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

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

(i) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction and equipping of the Building in accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

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

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

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

(m) Sponsor will pay all Common Charges, special assessments and real estate taxes allocated to any Unsold Units in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Sponsor will fund its financial obligations from proceeds from

the sales of Units, rental income from Unsold Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

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

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

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

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

(r) Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer (other than to purchasers under the Plan) of ten (10) or more Units or twenty percent (20%) of the Units in the Condominium, whichever is less, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan, applicable Law or regulations.

(s) New York City Local Law 7 of 2004 requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Unit in accordance with New York City Local Law 7 of 2004. Each Tower Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which has been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Tower Unit Owners will comply with the foregoing obligations.

(t) Construction of the Building is being financed by New York State Housing Finance Agency, PB Capital Corporation, and Landesbank Baden-Württemberg, New York Branch for itself and as agent for any other lenders who participate in the construction loan (the "Construction Lender"), which financing is secured by, among other things, mortgages and security agreements (collectively the "Construction Loan"). Sponsor's offer to sell the Tower Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR.

(u) All representations under the Plan, all obligations pursuant to the GBL and such additional obligations under the Plan which are to be performed subsequent to the closing of each Unit will survive delivery of the deed.

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

Sponsor and Developer 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 the purpose of fulfilling Sponsor's and Developer's obligations under the Plan and performing certain alterations and repairs in or about the Unsold Tower Units and the Base Units. Sponsor and Developer will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Tower Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or Developer or their respective authorized agents liable for any damage to the Unit or to the personality or fixtures contained therein.

Construction of the Building is being financed by New York State Housing Finance Agency, PB Capital Corporation, and Landesbank Baden-Württemberg, New York Branch for itself and as agent for any other lenders who participate in the construction loan (the "Construction Lender"), which financing is secured by, among other things, mortgages and security agreements (collectively the "Construction Loan"). Sponsor's offer to sell the Tower Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR.

The foregoing sets forth the entire obligations of Sponsor and Developer hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Tower Unit Owners under their respective Agreements or to include any financial limitation on Sponsor's or Developer's liability for failure to perform its obligations under the Plan. Neither Sponsor nor Developer makes any representation or warranty as to the work, materials, appliances, equipment or fixtures to be provided or performed by Sponsor or located at the Property other than as set forth in the Plan. Notwithstanding anything to the contrary set forth herein, nothing contained in the Plan shall be construed as to render Sponsor or Developer liable for consequential damages (whether based upon negligence, breach of contract, breach of warranty or otherwise) it being intended that Sponsor's and Developer's sole obligation shall be to perform its obligations as expressly provided in the Plan.

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

Except as set forth above or as required by Law or governmental regulation, neither Sponsor nor Developer has furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor or Developer to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor or Developer under the Plan shall survive the delivery of the respective Tower Unit deeds. In the event Sponsor or Developer is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to purchasers, if any.

Construction of the Building is being financed by New York State Housing Finance Agency, PB Capital Corporation, and Landesbank Baden-Württemberg, New York Branch for itself and as agent for any other lenders who participate in the construction loan (the "Construction Lender"), which financing is secured by, among other things, mortgages and security agreements (collectively the "Construction Loan"). Sponsor's offer to sell the Tower

Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR. Developer anticipates obtaining a permanent certificate of occupancy for the Building within two (2) years after the First Closing.

Leasing and Use of Unsold Tower Units

Sponsor and its designee have reserved the right to rent or lease any Unsold Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion or to use or offer the Unsold Units for any lawful purpose. Except whereas prohibited by Law, certain Units may be occupied under short-term leases. Accordingly, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. As a consequence of the foregoing, a Unit Owner seeking to resell or refinance a Unit may experience difficulty. In addition, residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e. purchase as a home as opposed to as an investment).

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

CONTROL BY SPONSOR

Sponsor will have the right to appoint two (2) of the members of the Condominium Board to be designated by the Tower Unit Owners during the period which continues until the later to occur of: (i) any meeting of Unit Owners at which the votes cast for Sponsor's nominees do not constitute a majority of the votes cast at such meeting or (ii) five (5) years after the First Closing. Developer, an affiliate of Sponsor, will control the Condominium Board for so long as Developer owns the Rental Unit. Accordingly, Developer will have control of Maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners and the enforcement of Developer's obligations by said Board. Sponsor will not control the Condominium Board.

The Condominium Board shall initially consist of three (3) persons, (2) persons designated by the Developer and one (1) member designated by Sponsor.

The Condominium Board will call for a special meeting of the Unit Owners to elect a new Condominium Board (the "First Annual Meeting") no later than one (1) year after the First Closing. The First Annual Meeting shall be held not less than ten (10) days nor more than forty (40) days after the sending of the notice of the meeting.

Commencing with the First Annual Meeting, the Condominium Board shall consist of five (5) persons, two (2) of whom shall be elected by the Tower Unit Owners or designated by Sponsor and three (3) of whom shall be designated by a Majority of the Base Unit Owners. Tower Unit Owners will not control the Condominium Board. The number of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

At the First Annual Meeting and at all times thereafter, Sponsor may be able to designate two (2) members of the Condominium Board as a result of its ownership of or interest in Unsold Units. For so long as Sponsor owns less than 50% of the Units but more than 15% of the Unsold Units Sponsor shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it to designate at least one (1) member of the Condominium Board.

BOARD OF MANAGERS

Generally the affairs of the Condominium shall be governed by the Condominium Board. The Condominium Board shall initially consist of three (3) persons, two (2) persons designated by the Developer, and one (1) person designated by Sponsor. The Condominium Board will call for a special meeting of the Unit Owners to elect a new Condominium Board (the "First Annual Meeting") no later than one (1) year after the First Closing. The First Annual Meeting shall be held not less than ten (10) days nor more than forty (40) days after the sending of the notice of the meeting. (See the Section entitled "Control by Sponsor.") Commencing with the First Annual Meeting, the Condominium Board shall consist of five (5) persons, two (2) of whom shall be elected by the Tower Unit Owners, and three (3) of whom shall be designated by a Majority of the Base Unit Owners. The number of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws. Thereafter, at each annual meeting, members of the Condominium Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified.

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

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. All other determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

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

Annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect the five (5) member Condominium Board, subject to any rights of Sponsor to designate Condominium Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting of the Condominium to all Unit Owners. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than thirty (30%) percent of the Common Interests attributable to all Units shall constitute a quorum, but in no instance shall a quorum be formed without the presence in person or by proxy of the Rental Unit Owner at any meeting of Unit Owners, and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

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

The principal officers of the Condominium Board shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The initial members of the Condominium Board shall be Greg Gushee, Bruce Beal and Bryan Cho who shall serve as President, Vice President and Treasurer and Vice President and Secretary of the Condominium Board respectively. Each of these individuals is a principal of or is affiliated with Sponsor or its principals. The Condominium Board may appoint additional officers. Except as otherwise provided by the Condominium Board for which such officer serves, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium Board are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board.

The term of office of the members of the Condominium Board shall be for one (1) year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

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

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

All officers, Board members and employees of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The By-Laws provide that to the extent permitted by applicable Law, no member of the

Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any managing agent or manager in connection with the affairs or operation of the Condominium or any Common Element or Limited Common Element (except in their capacities as Unit Owners). Board members shall have no liability to Unit Owners except that a Board member shall be liable for such Board member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

Generally, subject to certain exceptions concerning, among other things, Sponsor and Developer, and provided that required consents of the Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners, provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

Notwithstanding any provision contained in the By-Laws to the contrary, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of Sponsor or its designee or the owner of any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit or (b) without the prior written consent of Developer or its designee or the owner of the Base Units with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Developer or its designee or the owner of the Base Units, or otherwise adversely affecting Developer or its designee or the owner of the Base Units (c) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

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

The By-Laws do not include a provision that a majority of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. In addition, non-resident owners, including Sponsor, Developer, and the Base Unit Owners do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities, and owner-occupants and non-resident Unit Owners, including Sponsor and Developer, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sales and Leases of Units

Each Tower Unit Owner may sell or lease such Tower Unit Owner's Unit provided such Tower Unit Owner (the "Transferor") first gives the Condominium Board and the Rental Unit Owner, on behalf of all Unit Owners (collectively, the "Inside Offeror"), notice of such Tower Unit Owner's intention to sell or lease such Tower Unit and an opportunity to purchase or lease such Tower Unit at the same price or rental and on the same terms as were offered in good faith by a prospective purchaser or lessee, as more specifically provided in Article 8 of the By-Laws. If either the Condominium Board or the Rental Unit Owner does not elect to purchase or lease the Tower Unit within twenty (20) days (either party of which shall have such right within such time period, on a first-come first served basis) after receipt of the offering Tower Unit Owner's notice, the Transferor will have an additional sixty (60) days to enter into a written agreement with the prospective purchaser or lessee, as the case may be, embodying the terms set forth in said notice. In the event such written agreement is not executed by the Transferor within said sixty-day period or such sale or lease is not consummated within an additional sixty (60) days following the expiration of said sixty-day period, the Transferor will be required to again first offer the same to the Condominium Board and the Rental Unit Owner, provided that the Condominium Board and the Rental Unit Owner shall be entitled to waive, or to permit an extension of, either or both of such sixty (60) day periods. The Condominium Board may not exercise its option to purchase or lease any Tower Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present and subject to the right of Sponsor to approve such purchase or lease during the period not to exceed five (5) years from the First Closing. In any vote of all the Unit Owners, the Transferor shall have the right to vote in any vote conducted by the Condominium Board for the purpose of determining whether the Condominium Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit. Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by applicable Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease approved by the Condominium Board which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

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

In the event the Condominium Board exercises its right to purchase a Tower Unit, the Condominium Board shall utilize available funds in the Working Capital Fund or shall make a special assessment for such purpose. With respect to the right of first refusal, the Condominium Board may not discriminate against any person on the basis of race, sexual orientation, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law. Please see "Units Acquired by Condominium Board" in this Section of the Plan for further details regarding Units acquired or leased by the Condominium Board.

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

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

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

The By-Laws provide that the Condominium Board has the right, but not the obligations to require that before any Tower Unit is conveyed to a government or governmental mission, or to a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America or elsewhere, may occur or be valid or effective, the Condominium Board may require that certain additional conditions be satisfied. Specifically, the Condominium Board may require that the potential grantee enter into an agreement with the Condominium Board, on terms acceptable to the Condominium Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably

waives, to the full extent permitted by law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee, and with respect to any and all other intended residents of the Tower Unit, any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise, (and diplomatic and consular immunity, if applicable) from any legal or equitable proceedings in the United States of America or elsewhere, brought by the Condominium Board or any other party claiming with respect to the Tower Unit (including without limitation, immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of that party's property from attachment prior to entry of judgment and from attachment in aid of execution, and from execution itself, upon a judgment), (iii) agrees that any legal action or proceeding with respect to the Tower Unit may be brought in the courts of the State of New York, and in the City of New York, or in the United States District Court for the Southern District of New York, as the Condominium Board shall elect, and (iii) permits execution and enforcement of any judgment obtained by the Condominium Board. The foregoing provisions do not apply to sales of Unsold Units.

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

Notwithstanding anything contained herein to the contrary, prior to the closing of title to a Tower Unit, the Purchase Agreement prohibits a Purchaser from listing such Tower Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Tower Unit for sale or lease, without Sponsor's prior written consent.

Use of Units

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

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

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

The current zoning Law permits a person who resides in a Tower Unit to use up to twenty-five percent (25%) of the floor area of such Unit Owner's Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four (4) persons. No transient tenant may be accommodated in a Tower Unit, except in Unsold Tower Units, as permitted by Law. Such home occupation use may only be engaged in with the consent of the Condominium Board or by Sponsor, as more particularly provided in the By-Laws.

The Base Units may be used for any lawful purpose, including, but not limited to, a garage, health club, theaters, retail stores, banks, residential, restaurants and commercial and professional offices. No income derived from any use of the Base Units will constitute income to the Condominium Board or Tower Unit Owners.

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

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

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Residential Section without prior written approval of the Condominium Board. No radio or television aerial, satellite dishes or other similar device shall be erected by Tower Unit Owners on the roof or exterior walls, windows or Terrace and/or Balconies of the Building or on the Property, without obtaining in each instance the written consent of the Condominium Board or except as may otherwise be required by Law.

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

The maintenance, keeping, boarding and/or raising of pot belly pigs, rodents (i.e., mice, gerbils, hamsters, guinea pigs, rabbits, ferrets etc.) and other animals, livestock, poultry or

reptiles of any kind, regardless of number, is prohibited within any Tower Unit or upon the Common Elements, except that, subject to this provision and the Rules and Regulations, the keeping of orderly domestic pets (which includes only small dogs, cats or caged birds) and aquarium fish is permitted; provided, however, that (i) any orderly domestic pets (other than those contained at all times in aquariums or cages which shall be limited to a reasonable number) shall not exceed two (2) per Unit or any breed deemed inappropriate or dangerous by the Condominium Board without the approval of the Condominium Board; (ii) such orderly domestic pets or fish are not kept or maintained for commercial purposes or for breeding; and (iii) any such orderly domestic pets or fish causing or creating a nuisance or unreasonable disturbance may be permanently removed from the Condominium upon ten (10) days written notice from the Condominium Board. Notwithstanding the foregoing, orderly domestic pets shall be permitted if necessary for persons with disabilities. Any Unit Owner who keeps or maintains any pet upon any portion of the Condominium shall indemnify and hold the Condominium Board, the Management Agent, and other Unit Owners and the Sponsor free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium. A photograph of each pet, with the name and Unit number of the pet owner, shall be delivered to the Condominium Board as a condition precedent to the entry of such pet into the Condominium. All pets shall be licensed and inoculated as required by Law. The Condominium Board may establish reasonable fees for registration of pets. No pets shall be permitted in any part of the Condominium (other than within the Unit of the owner thereof) unless carried or on a leash. Leashes may not exceed a length which will permit close control of the pet. Owners of pets must immediately and adequately clean up their pet's droppings in all areas of the Property including, without limitation, the sidewalks, exterior landscapes and all other areas. The Condominium Board may establish such other rules and regulations concerning pets as it deems necessary or appropriate, including, without limitation, the right to prohibit pets. In the event of the adoption of a rule prohibiting pets (other than pets needed by persons with disabilities), any Unit Owner who owned a pet at the time of the adoption of such rule shall have the right to retain such pet (unless such pet is otherwise deemed to constitute a nuisance or be in violation of the these provisions or the Rules and Regulations), but shall not have the right to replace such pet or subsequently acquire additional pets. Any Unit Owner keeping a pet or animal in violation of these provisions or which causes any damage to or requires cleanup of any Unit or the Common Elements or which is offensive or creates any nuisance, danger or unreasonable disturbance or noise, shall be personally liable for the cost and expense of such repair, clean up or elimination of such disturbance or nuisance. Each Tower Unit Owner who keeps any type of pet in such Unit Owner's Tower Unit will be required to abide by any and all Rules and Regulations of the Condominium Board adopted with respect thereto and may be required to enter into an agreement with the Condominium Board governing the maintenance of such pets.

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

or its designee, as the case may be). Further restrictions on the use and leasing of Tower Units are set forth in the By-Laws and Rules and Regulations.

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage such Unit Owner's Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by such Unit Owner. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, or such other form approved by the Condominium Board, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the Unit Owner making such mortgage first satisfies all unpaid liens against such Unit Owner's Unit, other than Permitted Mortgages.

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

Common Charges:
Determination and Assessment

Tower Common Expenses include all costs and expenses (including the payment of wages) in connection with the Maintenance of certain Tower Common Elements and Tower Limited Common Elements. Residential Common Expenses include among other things, all costs and expenses (including the payment of wages) in connection with the Maintenance of the Residential Common Elements and certain Tower Common Elements and Rental Common Elements, including without limitation such amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Tower Unit as well as costs associated with the operation of the Residents' Fitness Lounge, Residents' Fitness Elevator and Residents' Fitness Concierge during the term of the Residents' Fitness Lounge Agreement, as the same may be extended. General Common Expenses include the costs and expenses (including the payment of wages) in connection with the Maintenance of the General Common Elements and certain other expenses common to all Unit Owners, such as premiums for insurance covering the Building, managing agent fees and legal and accounting fees will be determined by the Condominium Board. In addition to allocating Common Expenses based Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law.

Except as otherwise provided in the By-Laws, Tower Common Expenses are allocated among the Tower Unit Owners in proportion to their Tower Common Interests and payable as

Tower Common Charges. Residential Common Expenses are allocated among the Unit Owners in proportion to their Residential Common Interests and payable as Residential Common Charges. General Common Expenses are allocated among the Unit Owners in proportion to their General Common Interests and payable as General Common Charges.

The respective Common Interests of each Unit, as estimated by Sponsor, are based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

In the event that the annual Common Charges levied against Unit Owners during the first year of Condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of Condominium operation will be distributed by the Condominium Board to Sponsor and the Tower Unit Owner(s) in proportion to the amount of time Sponsor and each Tower Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Tower Units Owners or, if rebates are made, what the tax consequences of such rebates would be to Tower Unit Owners. In the event Sponsor concludes that the Common Expenses during the First Year of Condominium Operation are less than projected due to the fact that the Building is not fully operational or occupied, Sponsor may cause the Condominium Board to adopt an interim budget reflecting the reduced Common Expenses which will reduce the Common Charges due from each Unit Owner. See the Attorney's Income Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Tower Units by individual Unit Owners.

At least annually the Condominium Board will prepare a budget for Common Expenses and allocate and assess Common Charges to meet such expenses and shall (a) allocate and assess Residential Common Charges and General Common Charges as aforesaid, among all Tower Unit Owners and the Base Unit Owners to meet Residential Common Expenses and General Common Expenses and (b) allocate and assess Tower Common Charges as aforesaid, among all Tower Unit Owners to meet Tower Common Expenses.

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

Common Charges: Collection and Lien for Non-Payment

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws the Condominium Board will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by applicable Law, will be subordinate to the lien of any first Permitted Mortgage of

record and to liens for real estate taxes on the particular Unit. Pursuant to Section 339-aa of the Real Property Law, any lien for Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners or all Tower Unit Owners, as the case may be) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien.

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

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

RPL §339-jj-Borrowing by Condominium

A new subsection jj to Section 339 of the Real Property Law ("RPL"), was enacted into law on August 26, 1997 and authorizes the Condominium Board to incur debt provided that such

debt (a) is incurred no earlier than the fifth anniversary of the First Closing and (b) is approved by Unit Owners owning Units to which there is appurtenant a majority of the Common Interests. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Condominium Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

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

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

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

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

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

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

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

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

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

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

All prospective purchasers should review RPL §339-kk to determine its effect on their own situation.

Repairs to and Maintenance
of Units and Common Elements

Generally, all painting, decorating, and routine Maintenance, (a) in or to any Unit (other than to the Common Elements included therein), including the individual cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, except as set forth herein (b) in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Unit Owners as a General Common Expense, (c) in or to the Tower Common Elements, and the Tower Limited Common Elements will be made by the Tower Unit representatives of the Condominium Board and the cost and expense thereof will be charged to all Tower Unit Owners as a Tower Common Expense, (d) in or to the Commercial Common Elements, the Rental Common Elements and the Base Limited Common Elements, if any, will be made by the affected Base Unit Owners thereof and the cost thereof will be borne by such Base Unit Owners, (e) in or to the Residential Common Elements, will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Residential Common Expense, based on their respective Residential Common Interest, or (f) during the term of the Residents' Fitness Lounge Agreement, as the same may be extended, in or to the Residents' Fitness Lounge and Residents' Fitness Elevator will be made by the Rental Unit Owner and charged to all Unit Owners as a Residential Common Expense, based on their respective Residential Common Interest. Notwithstanding the foregoing, any repairs by Tower Unit Owners to the incremental heating and air conditioning units within each Tower Unit shall only be made by contractors or servicemen who have been previously approved by the Condominium Board.

Notwithstanding the above, all normal Maintenance of any Terrace and/or Balcony shall be made by the Tower Unit Owner having access to same, at such Tower Unit Owner's own cost and expense, but any structural repairs to such Terrace and/or Balcony (including any leaks which are not caused by the negligence or misconduct of the Tower Unit Owner having access to the same)

will be made by the Condominium Board and the cost and expense thereof will be charged to all Tower Unit Owners as a Tower Common Expense. Any Tower Unit Owner having access to a Terrace and/or Balcony shall keep it free of snow, ice and accumulation of water, which will cause damage to the Building. In accordance with the By-Laws, the Condominium Board will have the right to require a Tower Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Terrace and/or Balconies and may require a Tower Unit Owner to remove same if the Condominium Board determines, in its discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building or that such removal is needed to facilitate access to the roofing system or other Common Elements pursuant to the Declaration and By-Laws. Terraces and/or Balconies appurtenant to certain Rental Apartments will be Rental Common Elements, and the Rental Unit Owner shall be responsible for all normal maintenance, repairs and replacements to the Terrace and/or Balcony appurtenant to any such Rental Apartment, including the costs and expenses of any structural repairs or repairs or replacements. No Terrace and/or Balcony may be enclosed without the express written consent of the Condominium Board. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the residents.

The interior and exterior glass surfaces of all windows located in any Tower Unit shall not be colored or painted and are to be washed and cleaned by the Tower Unit Owner at such Tower Unit Owner's sole cost and expense. The exterior glass surfaces of all Residential Section windows may, at the option of the Condominium Board, be washed and cleaned by the Condominium Board and the cost thereof shall be a Residential Common Expense apportioned between the Rental Unit Owner and the Tower Unit Owners based upon their respective Residential Common Interest; otherwise Tower Unit Owners shall be obligated to clean such windows at their own cost and expense. Any replacement of glass windows in any Tower Unit or Rental Apartment because of breakage or otherwise shall be made by the Condominium Board at the sole cost and expense of the owner of such Tower Unit or the Rental Unit (unless such breakage is caused by the Condominium Board, or the negligence of any other Unit Owner or Rental Apartment resident, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board, the Rental Apartment resident or such Unit Owner). All window treatments in a Tower Unit or Rental Apartment, when viewed from the outside of the window, must be white.

In addition, the costs of maintaining residential hallways which constitute Rental Common Elements or Tower Common Elements shall be a Residential Common Expense apportioned between the Unit Owners based upon their respective Residential Common Interest.

The By-Laws provide that each Unit and all portions of the Common Elements will be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water to the extent same will cause damage to the Building) by the Unit Owner or Condominium Board, whichever is responsible for the maintenance thereof. In the event a Unit Owner fails to keep such Unit Owner's Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the subsection entitled "Rights of

Access"). Each Unit Owner will be obligated to heat and cool such Unit Owner's Unit so as to maintain the appropriate temperature in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units, including, without limitation, freezing pipes and damage to the wood floors and moldings. Purchasers should note that, as with all wood products (including without limitation, wood furniture, cabinetry, floors and molding) wide variations of temperature and humidity can lead to shrinkage and expansion of the wood which in turn may cause damage to any such wood product.

The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the Condominium Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or Board.

In addition, the Rules and Regulations require that at least eighty (80%) percent of the floor area of Tower Units (except for kitchens, bathrooms, closets and foyers) be covered with rugs, carpeting or equally effective noise-reducing material.

Alterations and Improvements
of Units and Common Elements

No Tower Unit Owner may make any structural alteration, addition, improvement or repair in or to such Unit Owner's Unit without the prior written approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision does not apply to Sponsor or its designee. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board. The Condominium Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Tower Unit, the Condominium Board shall have the right to approve the Unit Owner's plans and specifications, the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. In addition, the Condominium Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements.

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

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Tower Unit, unless

approved and executed, if necessary, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to Sponsor or its designee, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Condominium Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Building (including the Units and Common Elements) as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law and, the Condominium Board, if requested by Sponsor is obligated to execute the aforesaid documentation. In addition, the Power of Attorney to be executed by each Tower Unit Owner upon acquisition of the Tower Unit further grants to Sponsor a power of attorney to execute such documentation. "Required Documentation" refers to such applications, permits, certifications, affidavits, forms, agreements, acknowledgments or other documents as may be required to enable the Declarant or Sponsor to exercise its rights or obligations under this Plan or the Declaration and the By-Laws, including, without limitation, Declarant's rights to deal with the Excess Available Development Rights and to undertake, perform and complete such work to the Units and Common Elements.

In the event that any alterations, additions, improvements or repairs made by any Tower Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a temporary or permanent certificate of occupancy for such Unit, other Units or the Building, then upon the written request of Sponsor, the Condominium Board or the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

Generally all alterations or improvements in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be a General Common Expense apportioned between the Unit Owners based upon their respective General Common Interest. Maintenance of the Tower Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Tower Unit Owners as a Tower Common Expense. Maintenance of the Residential Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Residential Common Expense in accordance with their respective Residential Common Interest and alterations, additions or improvements in or to the Commercial Common Elements, the Rental Common Elements and the Base Limited Common Elements, if any will be made by the respective Base Unit Owner and the cost and expense thereof will be borne solely by the respective Base Unit Owner.

The Base Unit Owners, without the consent of the Condominium Board may make any alteration, addition, improvement or repair in or to the Base Units, the Rental Common Elements, the Commercial Common Elements or the Base Limited Common Elements, if any, provided that the work is performed by the Base Unit Owners in compliance with governmental Laws and in accordance with all conditions described in the Declaration. Sponsor, without the consent of the Condominium Board, may make any alteration, addition, improvement or repair in or to any Unsold Tower Unit or the Tower Common Elements provided that the work is performed by Sponsor in compliance with Law and in accordance with all conditions described in the Declaration. In addition, Sponsor and the Base Unit Owners may erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability for sale or rental of any Unsold Tower Unit or any portion of any Base Unit (including, without limitation, the Rental Apartments, or the operation of any business of Sponsor, a tenant, resident managing agent or operator of any of the Base Units) including, but not limited to, signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any managing agents, managers, superintendents and other persons authorized by the Condominium Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in Emergency situations) are made in advance and that any such entry (except in Emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. In case of an Emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. The By-Laws give Sponsor a right of access to any Unit for the purpose of performing punch-list work or for the purpose of performing or completing construction in the Building and give service providers the right to access their equipment and the conduit in which such equipment is located in order to install, maintain, operate, repair, replace and service same.

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

Each Unit Owner must strictly comply with the provisions of the Declaration, the By-Laws, and the Rules and Regulations. Pursuant to Section 339(j) of the Condominium Act, failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief shall not be exclusive of other remedies provided by Law. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted, upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board with respect to any damage to or destruction of the Units and the Common Elements, will, except as set forth below, arrange for the prompt repair and restoration thereof.

If only the Base Section is destroyed or damaged by fire or other casualty and if the net insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the Base Unit Owners will bear the entire amount of the deficit, or shall receive all of the surplus, as the case may be. If only the Tower Section is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Tower Unit Owners in proportion to their respective Tower Common Interests. If said damage or destruction by fire or other casualty affects the Base Section, the Tower Section and the Common Elements, or any combination thereof, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Residential Section, Base Section and General Common Elements bears to the total cost of repairing all damage or destruction as determined by a Certifying Professional. The Base Unit Owners shall have the right to make all arrangements for the prompt repair and restoration of the Base Section. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on such Unit Owner's Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

Unless the Unit Owners have elected not to restore the Building as provided below, damage or destruction to a Unit or a Limited Common Element as a result of fire or other casualty shall be promptly repaired and reconstructed by the Owner of the affected Unit(s) where such repair or reconstruction does not involve the Common Elements for which the repair or reconstruction is the obligation of the Condominium Board under the Declaration and By-Laws. If a Tower Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board may cause the Tower Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Tower Unit Owner as a Special Assessment.

If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for

partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective General Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (excluding each Unit, and its fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings, each Unit, and its fixtures, furniture, furnishings or other personal property not constituting a part of such Unit and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance); (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Condominium Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine. Each Unit Owner shall be an additional insured.

The property insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

The amount of property insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting of the Tower Unit Owners shall be in at least the sum set forth in Schedule B.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees.

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, bodily injury or property damage occurring upon, in or about the Property, in such limits as he Condominium Board may from time to time determine, covering (1) the Condominium Board, the Managing Agent or agents thereof, each Board member and each officer and employee of the Condominium, (2) the Base Unit Owners, and all officers, directors and employees thereof, and (3) each Tower Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Tower Limited Common Elements, if any, exclusive to such Unit Owner's Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting of Tower Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines. The premiums for all insurance referred to above shall be a General Common Expense allocated pro rata in accordance with the aggregate respective General Common Interests of the Unit Owners.

The Condominium Board is not required to obtain or maintain any insurance with respect to the Units or any property contained in a Unit. Pursuant to the By-Laws, each Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property plus at least $2,000,000 umbrella liability coverage and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage and personal property). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. Policies maintained by Unit Owners as aforesaid must provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board.

Liability of Board of
Managers and Unit Owners

Every contract made by the Condominium Board or by any managing agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners or Tower Unit Owners,

respectively, and such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners or Tower Unit Owners, as the case may be, and (ii) to the extent permitted by Law, unless otherwise determined by the Condominium Board in its sole and absolute discretion, such Unit Owner's interest in such Unit Owner's Unit and its appurtenant Common Interest. To the extent permitted by applicable Law, Board members shall have no liability to Tower Unit Owners except that a Board member shall be liable for such member's own bad faith or willful misconduct. All Tower Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member and each Condominium Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Condominium Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners within four (4) months after the end of each fiscal year as more particularly described in the Section of the Plan entitled "Reports to Unit Owners" in Part I of the Plan.

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in General Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor has conveyed title to all Tower Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective General Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Units Acquired by Condominium Board

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

The purchase of any Unit by the Condominium Board or its designees, on behalf of their respective Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Tower Unit Owner or each Base Unit Owner, as the case may be, in proportion to such Unit Owner's respective Common Interest, as a Common Charge, and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interests in the Common Elements.

Procedure to Review
Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Tower Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Tower Units. All Tower Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Tower Common Interests. In the event any Tower Unit Owner individually seeks to have the assessed valuation of such Unit Owner's Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings. The Base Unit Owners will have the right to commence certiorari proceedings on their own at their sole cost and expense.

Mechanics' Liens

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

Easements

In order to facilitate the operation and Maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, Developer, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Tower Unit Owner to use the General Common Elements and the Tower Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and residents of the

Base Units or with the use of the Tower Units for their permitted purposes. Sponsor, Developer and their respective designee shall have an easement to erect, maintain, repair and replace lights and lighting fixtures and to erect maintain and replace satellite communication equipment and similar equipment, as permitted by Law, on the roofs and facade of the Building and elsewhere on the Common Elements which shall entitle Sponsor, Developer or their respective designee to utilize such easement for its own account or the account of any licensee of Sponsor or Developer or their respective designee for the purpose of servicing the Condominium or any other building or area. In addition, Sponsor or Developer and their respective designee shall have an easement to erect, maintain, repair and replace any signs, awnings, marquees, canopies, banners, flags, pennants, aerials, antennas or the like (each a "Sign") permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or resident of any Unit.

Name of Condominium

The Condominium and the Building shall be designated and known as "The Caledonia." Developer and Developer's assignee shall own and control all rights and interests, including the right to apply for any state trademark and prosecute to registration any federal trademark applications, and shall be responsible for all obligations and liabilities, including those in furtherance of protecting, policing and maintaining any applicable trademark rights, which may include litigating against those whom Developer believes may be infringing Developer's rights in and to the name of the Condominium and Building, appurtenant to the name of the Condominium and/or the Building. Only Developer shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Developer shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Developer as the sponsor of the condominium offering, together with such other information as Developer determines in its sole discretion.

The Declaration and By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective purchaser should read the Plan in its entirety including the Declaration and By-Laws.

REAL ESTATE TAXES

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay such Unit Owner's pro rata share (in the proportion that such Unit Owner's Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges.

Section 581 of the Real Property Tax Law provides that real property owned on a condominium basis shall be assessed for real estate tax purposes at a sum not exceeding the assessment which would be placed thereon if the property were not owned on a condominium basis. Section 339-y of the Condominium Act provides in part that each Unit and its Common Interest shall be separately assessed for tax purposes and that in no event shall the aggregate of the assessment of the Units plus their Common Interest exceed the total valuation of the property were the property assessed as one parcel.

Assuming the Property does not receive any abatement from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Tower Unit Owners for the first year of Condominium operation will total approximately $1,903,764, based on an opinion prepared by Marcus & Pollock LLP dated June 8, 2006 which assumes (a) twelve months of taxes based upon the building being partially completed (60% complete) and assessed on the 2008/2009 valuation (b) an approximate valuation of the Tower Units for tax year 2008/2009 of $15,138,072, and (c) a projected tax rate of 12.576%. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS FOR THE TAX YEAR 2005/2006 WHICH DO NOT APPEAR CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS

The real estate tax estimates for each Tower Unit were calculated on the assumption that the real estate taxes payable with respect to each Tower Unit for the first year of Condominium operation will be allocated in proportion to each Tower Unit's percentage interest in the Common Elements. Upon determination of individual tax lots and individual Tower Unit assessments, the New York City tax authorities may allocate taxes between the Tower Units in proportion to each Tower Unit's purchase price rather than its percentage interest in the Common Elements, and, if so, Tower Units having the same percentage interest may pay different real estate taxes.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method of allocating real estate taxes which will be employed by the New York City tax assessor; (ii) of the assessed value of the

residential portion of the Property during the first year of Condominium operation, (iii) of the tax rates in effect during the first year of Condominium operation or (iv) whether the Property will qualify for benefits under the 421-a Program.

The By-Laws provide that the Condominium Board is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Unit Owners, for the benefit and on behalf of (i) all Tower Unit Owners, or (ii) for individual Tower Unit Owners, provided that each such Tower Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings. There is currently a tax certiorari proceeding pending with respect to the Property.

Section 421-a Real Estate Tax Benefits

Sponsor intends to apply for a partial exemption from real estate taxes with respect to the Building pursuant to Section 421-a of the New York State Real Property Tax Law to the New York City Department of Housing Preservation and Development ("HPD"), the governmental agency which administers the Section 421-a program.

In connection with the Section 421-a benefits, negotiable certificates of eligibility will be purchased by Sponsor for the number of Tower Units for which exemption will be claimed.

There is no guaranty or assurance that the criteria for continued availability of Section 421-a benefits for the Tower Units will be satisfied or that a Final Certificate of Eligibility will be issued by HPD. If, for any reason, Sponsor's application for a Final Certificate of Eligibility is not approved, the Units will be subject to full taxation and will receive no benefits under Section 421-a. See Schedule A for projected monthly real estate taxes for each Tower Unit with and without benefits under Section 421-a.

Prospective purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over five (5) fiscal tax years in annual increments of twenty percent (20%) each. Any further increase in assessed valuation during such five-year period resulting from a still higher market value is similarly phased in over an additional five-year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the five-year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such five-year period is called the "transitional" assessed valuation.

Prospective purchasers should note that the real estate taxes that will be payable by the Unit Owners for future years will vary in accordance with the amounts of the Unit's assessed valuation (transitional and actual) and of the real estate tax rate. In this regard, prospective purchasers should note that, assuming the partial exemption from real estate taxes pursuant to Section 421-a is maintained, the real estate taxes payable by the Unit Owners will in any event increase periodically over the ten (10) years of condominium ownership as an integral part of the Section 421-a program. The ten (10) year exemption from taxation consists of two (2) years of

full exemption, followed by two years of exemption from 80 percent of such taxation, followed by two years of exemption from sixty percent (60%) of such taxation, followed by two (2) years of exemption from forty percent (40%) of such taxation, followed by two (2) years of exemption from twenty percent (20%) of such taxation.

Benefit Years	% of Exemption
1	100%
2	100%
3	80%
4	80%
5	60%
6	60%
7	40%
8	40%
9	20%
10	20%
11	0%

Sponsor will keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits which can result in the reduction or revocation of benefits if proper documentation is not provided. Upon recording of the Condominium Declaration, Sponsor will make all tax benefit documents available to the Condominium Board for inspection and copying for the life of the benefits and Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits. Please refer to the opinion of Marcus & Pollock LLP, set forth in Part I of the Plan, for further details regarding the real estate tax assessment for the Property.

TAXES -- DEDUCTIONS TO TOWER UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Tower Units by purchasers who use such Tower Units as a personal residence was prepared by Sponsor based, in part, upon the Attorney's Income Tax Opinion prepared by Stroock & Stroock & Lavan LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

STROOCK & STROOCK & LAVAN LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS IN CIRCULAR 230, ALL UNIT OWNERS, POTENTIAL UNIT OWNERS AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS PLAN AND/OR THE ATTORNEY'S INCOME TAX OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Deductibility of Mortgage Interest and Real Estate Taxes

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

It is the opinion of Stroock & Stroock & Lavan LLP that a Tower Unit Owner who uses such Unit Owner's Tower Unit as a personal residence and itemizes such Unit Owner's deductions will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of $1 million), plus (2) other debt (not in excess of $100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and may apply to the overall allowance of itemized deductions.

Taxation of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association," under Section 528 of the Internal Revenue Code, which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Tower Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as interest earned on any reserve funds, and possibly income from assessments from Base Unit Owners (in each case, less expenses directly connected with the production of such income). Sponsor anticipates that it is likely that the Condominium will not qualify as a homeowners association. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the Law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.

Schedule B, Budget for the First Year of Condominium Operation, does not contemplate any substantial income which might be taxable and accordingly does not specifically budget any amounts for taxes for nonmembership or membership income.

The qualification of an organization as a homeowners association is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Stroock & Stroock & Lavan LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Stroock & Stroock & Lavan LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Tower Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under this Plan, and no one has been authorized to give any warranties.

ATTORNEY'S INCOME TAX OPINION OF STROOCK & STROOCK & LAVAN LLP

STROOCK

May 24, 2006

450 West 17th Associates LLC
60 Columbus Circle
New York, New York 10023

Re: Condominium Offering Plan
The Caledonia (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the offered Residential Units for their own residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of the ownership of Residential Units by corporations, other entities or foreign persons. Furthermore, this opinion does not address the tax consequences (including the deductibility of any mortgage interest or real estate taxes) of (i) ownership of any Unsold Residential Units, any Residential Unit that is used for commercial or mixed residential/commercial purposes, or any Units other than the Residential Units (such as the Commercial Unit), (ii) ownership or rental of any Unit purchased or rented for use by the Resident Manager, (iii) ownership of any rights with respect to any Storage Bin or other storage space in or appurtenant to the Condominium, or (iv) any rebates or other payments that may be made, or benefits provided, to owners of Residential Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Residential Units will acquire their Residential Units and that the relevant facts are as set forth therein.

Pursuant to the Plan, the purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Residential Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Accordingly, based on the foregoing, it is our opinion that an owner of a Residential Unit who itemizes deductions and who uses his or her Residential Unit as a personal residence will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes, and the applicability to them of the Federal alternative minimum tax.

Purchasers are advised that an exemption from real estate taxes may be available for veterans and other purchasers under the New York State Real Property Tax Law, as amended, and/or various codes, rules and regulations of the City of New York. Prospective purchasers are advised to consult with their own attorneys or other advisers to determine whether the prospective purchaser qualifies for any exemption from real estate taxes.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing of such indebtedness, to the extent that the indebtedness does not exceed the amount of the refinanced debt), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return) ("acquisition indebtedness"), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. Accordingly, an owner of a

Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and any overall limitation on the allowance of itemized deductions.

Each owner of a Residential Unit who uses his or her Residential Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as interest earned on any reserve or working capital funds, and possibly income from assessments from the Commercial Unit Owners (in each case, less expenses directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan and certain statements made by the Sponsor relating to the estimated square footage of the Commercial Unit that will be used as Rental Apartments (and assuming that the square footage actually used as Rental Apartments will not exceed such estimate), less than 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes under Treasury Regulation § 1.528-4(b). Accordingly, assuming the Plan becomes effective during the Condominium's first taxable year, the square footage of the Commercial Unit actually used as Rental Apartments will not exceed the Sponsor's estimate of such square footage, and there are no changes in the facts and/or the relevant provisions of current law, the Condominium will not be eligible to elect to be treated as a homeowners association under Section 528 of the Code for its first taxable year.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Boards will act as the agent of the Unit Owners represented by each such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include, among other things, interest or similar income earned from interim investments of the amounts

assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Residential Common Charges should not be considered income earned by the Condominium with respect to the Residential Unit Owners. If, however, the Condominium is considered a separate entity it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for Federal income tax purposes. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income (potentially including the Common Charges, among other things) and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium is treated as a partnership (assuming that the Condominium Board does not elect to be excluded from the application of the provisions of subchapter K pursuant to Treasury Regulation § 1.761-2), the partnership would not be subject to an entity level tax, the items of income (potentially including the Common Charges, among other things) and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, it appears likely that the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it is still possible, although not certain, that the Condominium might be subject to the New York State Corporation Franchise Tax. Further, in such event, the Condominium likely would be subject to the New York City Unincorporated Business Tax, unless it were eligible for and elected treatment under Code Section 528 as a homeowners association.

To ensure compliance with requirements imposed by the IRS in Circular 230, we hereby inform you that (i) any tax advice contained in this opinion is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties under the Code, (ii) any such tax advice is written to support the promotion or marketing of the transactions or matters addressed in this Opinion and the Plan, and (iii) each Unit Owner, each potential Unit Owner, the Sponsor and the Condominium should seek advice based on its particular circumstances from an independent tax advisor.

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction.

Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Stroock & Stroock & Lavan LLP, any of the Boards, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or IRS rulings on which we have relied which cause the owners of Residential Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

STROOCK & STROOCK & LAVAN LLP

1637781v3

339-i OPINION OF STROOCK & STROOCK & LAVAN LLP

STROOCK

August 3, 2006

450 West 17th Associates LLC
450 West 17th Street
New York, NY 10011

Re: The Caledonia
450 West 17th Street
New York, New York 10011 (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Units at the above referenced Condominium as required by NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Penmark Realty Corp. as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Penmark Realty Corp.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i (1)(iv), i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

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

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

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We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,



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REAL ESTATE TAX OPINION

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June 8, 2006

450 West 17th Associates LLC
c/o The Related Companies LP
60 Columbus Circle
New York, New York 10023

Re: 450 West 17th Street
Block 714, Lot 1
Borough of Manhattan

Gentlemen:

Pursuant to your request, we have reviewed the information furnished by your office regarding the above-referenced development project as a mixed-use condominium apartment building. You have asked us to project the real estate tax liability applicable only to the portion of the development project comprised entirely of 190 individual residential condominium units located on Floors 10-26/PH for the first year of condominium operation and upon completion of construction, exclusive of any Section 421-a partial tax exemption benefits that may apply.

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

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

In estimating the assessed valuations herein, we therefore examined comparable rents from other newly constructed apartment buildings in the area of this project. In addition, we have also studied the assessed valuations of newly constructed residential buildings in the area comparable to the project upon completion. These comparable assessment studies have enabled us to ascertain the current assessing policies of the City of New York with regard to newly constructed residential buildings. However, there are no assurances that these policies will remain unchanged, or that the indicators of market value will be adjusted prior to the completion of the referenced project, resulting in an assessment differing from the estimate contained herein.

In deriving our projected valuations, we placed equal weight upon both the capitalization of income based upon comparable rents as well as the assessed valuation studies. All prospective purchasers are advised that although our estimate of the property's assessed valuation upon completion is a good faith estimate; the assessment when actually made may be less or greater than as estimated herein.

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

1. The completed building will contain approximately 478 residential dwelling units and will consist of two residential components, in addition to retail space and accessory parking ("the Development"). The Development will comprise approximately 546,771 gross square feet of building area and consist of a total of 195 condominium tax lots. The first residential component will consist of three separate condominium units. There will be a single condominium unit comprised of 288 rental units containing approximately 256,271 gross square feet ("Rental Unit"), a second condominium unit containing 27,696 gross square feet of commercial space used as a health club facility ("Fitness Facility Unit") and a third condominium unit containing approximately 25,465 gross square feet of parking space located less than 23 feet above curb level ("Garage Unit 1").

The second residential component of the Development will contain 192 separate condominium units. There will be 190 separately assessed for-sale condominium dwelling units containing approximately 210,251 gross square feet of residential space located on floors 10-26/PH ("Tower Units"). In addition, there will be a separate condominium unit for approximately 10,288 gross square feet of retail space ("Retail Unit") and an additional condominium unit for a parking garage containing approximately 16,800 gross square feet of parking space located less than 23 feet above curb level ("Garage Unit 2"). The Tower Units will be the subject of this real estate tax analysis.

2. The Tower Units will contain 32 studio units, 96 one bedroom units, 53 two bedroom apartments and 9 three bedroom apartments.

3. Application for a 10-year partial exemption from real estate taxes for the second residential component of the Development, consisting of the Tower Units, Retail Unit and Garage Unit 2, will be made to the Housing Preservation and Development Agency ("HPD") through the 421-a program.

4. You have advised us that construction will commence (by the pouring of initial footings) in July 2006 and that the first year of condominium operation is expected to begin in July 2008.

Discussion

The first year of condominium operation, as set forth above, is anticipated to run from July 1, 2008 through June 30, 2009 and will therefore fall entirely within the 2008/09 tax year (running from July 1, 2008 through June 30, 2009). The real estate taxes for the first year of operation will therefore consist of real estate taxes based on the 2008/09 assessed valuation.

Estimated Real Estate Taxes During Construction (Tax Year 2007/08)

Pursuant to Section 11-209 of the New York City Administrative Code, properties in the course of construction as of the January 5 taxable status date and not ready for occupancy by the following April 15, are entitled to a "progress assessment" wherein only the land is to be assessed for real estate taxes. Inasmuch as construction will commence in July 2006, prior to the January 5, 2007 taxable status date for the 2007/08 tax year, and the condominium will not be ready for occupancy by April 15, 2007, the 2007/08 assessed valuation will be a land-only progress assessment. For the purposes of this analysis, we have considered the land assessments for the tentative 2006/07 assessment roll in projecting the land-only progress assessment for tax year 2007/08.

The land only assessments for the tentative 2006/07 assessment roll are as follows:

Actual:	$927,000
Transitional:	$990,000

We have applied the class 2 tax rate currently in effect for the second half of the 2005/06 tax year, 12.576%, to an estimated 2007/08 transitional land only assessment of $2,000,000, to arrive at an estimated total 2007/08 tax liability of $251,520 for the entire Development. You have informed us that approximately 42.13% of the Development's general common interests will be allocated to the Tower Units. While we make no representations that DOF will use any particular method to apportion assessed valuation among the units of the project, for the purpose of computing the portion of the Development's total tax assessment that will be allocated to the Tower Units, we have used the percentage of the Development's general common interest that you have provided for this analysis. Accordingly, we have estimated that approximately $105,965 (42.13%) will be attributable to the Tower Units.

Estimated Real Estate Taxes Upon Completion of Construction (Tax Year 2009/10)

As construction will not be completed prior to the January 5, 2008 taxable status date for the 2008/09 tax year, the 2008/09 assessed valuation will not reflect a completed building. The completed building will first be reflected on the assessment roll for the 2009/10 tax year. After consideration of all relevant factors, we have estimated, upon completion of construction, an assessed

valuation of $120 per square foot for the 210,251 gross square feet of residential space attributed to the Tower Units. We therefore project that the assessed valuation in tax year 2009/10 for the completed Tower Units will be approximately $25,230,120 (210,251 x $120).

Estimated Real Estate Taxes During Course of Construction (Tax Year 2008/09)

As previously discussed, the 2008/09 assessment roll will reflect a partially constructed building. The completed building will not be reflected on the assessment roll until Tax Year 2009/10. For the purposes of this analysis, we have assumed that the building will be 60% completed on January 5, 2008 and that the assessment for that tax year will therefore be approximately 60% of the assessed valuation that we have previously projected for the Tower Units upon completion of construction in Tax Year 2009/10. We have therefore estimated that the assessed valuation of the Tower Units for Tax Year 2008/09 will be approximately $15,138,072 ($25,230,120 x 60%).

We have applied the class 2 tax rate currently in effect for the second half of the 2005/06 tax year, 12.576%, to the estimated 2008/09 assessed valuation for the Tower Units to arrive at an estimated 2008/09 tax liability of $1,903,764 for the Tower Units.

Real Estate Taxes for the First Year of Condominium Operation

For the first year of condominium operation, we project that the real estate taxes for the Tower Units will be approximately $1,903,764 which is based upon the estimated 2008/09 assessment.

We note that the real estate tax assessment for the first year of condominium operation will be based on an assessed valuation which reflects only a partially completed building in the course of construction. Accordingly, the real estate taxes after the first year of condominium operation will therefore likely be higher, reflecting twelve full months of taxes which will be assessed on a fully completed building in operation.

In deriving our assessed valuation projections, we have studied the assessed valuations of similar recently constructed buildings, in the vicinity of the Development, and also throughout Manhattan. In addition, we have also examined market residential rents and have made value estimates based upon the income capitalization method of valuation. Our projections are based on our reconciliation of the income approach to value with the comparable assessment studies. The comparable assessment studies generally indicate that the City's assessments of newly constructed residential condominiums are often lower than what would normally be indicated by capitalization of imputed income utilizing comparable market rents or what would be indicated by the cost approach to valuation. We therefore caution that if DOF were to base assessed valuation solely on the capitalization of residential rents at current market levels, or were to adopt the cost approach as its basis for valuation, the resulting assessments could be significantly higher than the values estimated herein.

The above projections are estimates and do not take into account any future increases in the level of assessed valuation applied to residential and commercial property or any increase in the real estate tax rate. The above opinion is based upon our understanding of the policies, procedures and practices of DOF and is not intended to be a guarantee or assurance that the tax assessments of taxes herein listed will be attained. While we believe our opinions are well founded, they are not intended, and should not be construed as representations or warranties that the assessment and taxes will be determined as set forth herein. The foregoing analysis is based upon our experience with DOF and the Tax Commission of the City of New York, and their assessment practices regarding newly constructed residential properties. Application of a particular approach to valuation by an individual assessor may yield a significantly different result.

No representation is made that the current policies and practices of the DOF will apply at the time the building is completed. You should be aware that the laws, regulations, policies and practices of DOF upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or courts of competent jurisdiction.

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This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. No government agency has passed upon these figures or estimates contained in the Offering Plan, and offer no warranties on real estate taxes for any period.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Marcus & Pollack LLP

By: 
Robert M. Pollack

RMP/tb

421-A REAL ESTATE TAX OPINION

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June 8, 2006

450 West 17th Associates LLC
c/o The Related Companies LP
60 Columbus Circle
New York, New York 10023

Re: 450 West 17th Street
Block 714 Lot 1
Borough of Manhattan

Gentlemen:

The above-referenced property is to be developed and owned as a condominium building and is expected to contain approximately 478 residential apartments (the "Development"). The completed building will consist of two residential components, including retail space and accessory parking. The Development will encompass approximately 546,771 gross square feet and consist of a total of 195 condominium tax lots.

The first residential component will consist of three individually assessed condominium tax lots. The first condominium unit will consist of 288 rental apartments on a single tax lot containing approximately 256,271 gross square feet ("Rental Unit") A minimum of 20 percent of these dwelling units will be affordable to persons of Low and Moderate Income pursuant to a regulatory agreement with the New York State Housing Finance Agency. The second condominium unit will consist of approximately 27,696 gross square feet of commercial space used as a health club facility ("Fitness Facility Unit"). The third condominium unit will consist of a garage containing approximately 25,465 gross

square feet of parking space located less than 23 feet above curb level ("Garage Unit 1"). The garage will provide accessory parking for this residential component.

The second residential component of the Development will contain 192 condominium tax lots. There will be 190 separately assessed for-sale condominium dwelling units containing approximately 210,251 gross square feet of residential space located on floors 10-26/PH ("Tower Units"). In addition, there will be a separate condominium unit for approximately 10,288 gross square feet of retail space ("Retail Unit") and an additional condominium unit for a parking garage containing approximately 16,800 gross square feet of parking space located less than 23 feet above curb level ("Garage Unit 2").

You have requested that we render our opinion as to whether the second residential component of the Development, consisting of the Tower Units, Retail Unit and Garage Unit 2, are eligible to receive partial real estate tax exemption benefits pursuant to Section 421-a of the Real Property Tax Law, Section 11-245 of the New York City Administrative Code and the Rules and Regulations governing the 421-a program (collectively, "the 421-a program") and the procedures for obtaining such benefits. Unless specifically stated otherwise, the analyses and conclusions set forth herein are based on facts provided to us for review.

In order for a completed property to be eligible for partial real estate tax exemption benefits pursuant to the 421-a program, the following major requirements will have to be satisfied:

1. The project must be a new multiple dwelling containing not less than three dwelling units. We have been advised that the Tower Units will contain approximately 190 individual residential condominium dwelling units created through new construction. As the Tower Units will contain more than three dwelling units, this requirement will be satisfied.

2. The land over which the project is to be constructed must have been vacant, predominantly vacant, under-utilized, or improved with a non-conforming use on the Operative Date, i.e., thirty-six months prior to the commencement of construction. It may not be mapped as a public park or utilized for ten or more consecutive years prior to October 1, 1971 as a private park.

The Rules and Regulations define commencement of construction as the date upon which excavation and the construction of initial footing and foundations commence in good faith pursuant to a building or alteration permit for the construction of an entirely new building, the footprint of which consisted of vacant and unimproved land. We have been advised that the construction of the initial footings and foundations of the project will commence in July 2006, in the 2006/07 fiscal year. Therefore, the Operative Date will be July 2003 in the 2003/2004 fiscal year. On that date, the official records of the Department of Finance indicate that the project site was identified as Block 714, Lots 1 and that the tax lot comprising the project was classified as Tax Class 4 nonresidential property.

3. Section 6-02(e) of the 421-a Rules and Regulations provides that, if the Project contains more than twenty dwelling units, the new multiple dwelling must contain at least five dwelling units for each dwelling unit in existence immediately prior to commencement of construction. As the Tower Units will contain 190 dwelling units, this requirement must be met.

   The 421-a Rules and Regulations define immediately prior to commencement of construction as the date one month prior to commencement of construction. We have been advised that immediately prior to commencement of construction, the project site will contain no dwelling units.

4. Section 6-02(e) of the 421-a Rules and Regulations provides that, if the project contains more than one hundred dwelling units, not less than 10 percent of such units must contain at least 4.5 rooms and, in addition, not less than 15 percent of such units must contain 3.5 rooms. We have been advised that the 190 residential condominium units in the Tower Units will include 32 studio units, 96 one bedroom units, 53 two bedroom apartments and 9 three bedroom apartments. Thus, 50% of the units will have at least 3.5 rooms and 32% will have at least 4.5 rooms satisfying this requirement for Section 421-a eligibility.

5. "Construction", as that term is defined in the 421-a Rules and Regulations, of the project must commence no later than December 31, 2007. We have been advised that construction will commence in July 2006. The projected start date will satisfy this requirement.

6. Section 11-245 of the Administrative Code of the City of New York provides that 421-a tax exemption benefits shall not be available for construction commenced after November 29, 1985 if the property is located in the therein described geographic exclusion area. The property is located in that geographic area. However, Section 11-245 provides that, under certain circumstances, § 421-a benefits shall be available in the geographic exclusion area. Those circumstances are;

   a. construction carried out with substantial governmental assistance;

   b. projects where HPD certifies that twenty percent (20%) of the units in that building are affordable to households of low and moderate income ("Affordable Units"); or

   c. construction is carried out pursuant to a written agreement with HPD to create through new construction or substantial rehabilitation Affordable Units located outside the geographic exclusion area and numbering at least twenty percent (20%) of the number of units contained in the project. The satisfaction of this requirement will be discussed in paragraph 7 below.

7. Section 6-08 of the 421-a program Rules and Regulations is entitled "Affordable Housing Construction Requirements". This section provides the guidelines for qualifying a project for 421-a tax exemption benefits where the building is located in the geographic exclusion area and where construction is commenced after November 29, 1985. Section 6-08(m) of the Rules and Regulations provides that HPD shall issue Negotiable Certificates certifying that Affordable Units have been created pursuant to a written agreement in compliance with Section 6-08 of such regulations. Such Negotiable Certificates will provide that a specified number of dwelling units in the geographic exclusion area are entitled to receive § 421-a benefits. §6-08 provides, in part, the following eligibility requirements and conditions for entering into a written agreement with HPD:

   a. that for buildings located within the geographic exclusion area, Affordable Units numbering twenty percent (20%) of the number of units contained in that building must be created through new construction; and

b. Further, the 421-a Rules and Regulations provide that if the Affordable Units are managed by either a qualified not-for-profit organization or a qualified managing agent approved by HPD, failure of the not-for-profit organization or the qualified managing agent to maintain such units as affordable or in a habitable condition shall not result in a revocation of the tax benefits received by the multiple dwelling located in the geographic exclusion area. We have been advised that the Negotiable Certificates to be purchased for the Tower Units will be irrevocable and fully transferable. Therefore, the 421-a benefits granted to the second residential component of the Development shall not be revoked in the event the Affordable Units are not so maintained.

8. The 421-a Rules and Regulations provides that rents of units contained within a building receiving 421-a benefits must be rent stabilized for the entire benefit period, unless exempt from rent regulation by reason of the cooperative or condominium status of the units. Inasmuch as the Tower Units will be owned as residential condominiums, these units will not be required to register with the Division of Housing and Community Renewal as rent stabilized. Therefore, this requirement for Section 421-a eligibility is not applicable.

9 The application for the Preliminary Certificate of Eligibility must be filed with HPD after the commencement of construction but prior to completion of construction. As the Development will be owned as condominiums, the Application for a Final Certificate of Eligibility must be filed with HPD prior to the first taxable status date (January 5th) following the issuance of either a Temporary Certificate of Occupancy for all residential units in the project, or a Permanent Certificate of Occupancy, whichever occurs first. We have assumed that all filings and required supporting documents will be filed in a timely fashion and that all required submissions to the Community Board 4 will be made.

With respect to incidental requirements applicable to this project, such as the current payment of water and sewer charges and real estate taxes, the payment of HPD filing fees equal to 0.4% (four tenths of one percent) of the total land acquisition and development costs, and the availability of books and records in the event the project is selected for audit by HPD, we have assumed that they will be satisfied.

If the foregoing information and assumptions are accurate and valid, and all of the other 421-a requirements are met, it appears that the second residential component should qualify for partial exemption from real estate taxation for local purposes, other than assessments for local improvements, under Section 421-a. The second residential component will qualify for partial exemption, for the construction period, not to exceed three years, and for ten years following the taxable status date immediately following the completion of construction. The real estate taxes on the second residential component will be partially exempted in declining percentages during the ten years following completion of construction, as set forth below:

Year Following Completion of Construction	Percentage of Value Which is Exempt
1-2	100%
3-4	80%
5-6	60%
7-8	40%
9-10	20%
11	0%

These percentages of exemption will be diminished to the extent that the commercial, community facility and accessory use space (collectively, the "Commercial Space") exceeds twelve percent of the aggregate floor area of the second residential component. In the event the Commercial Space exceeds twelve percent of the aggregate floor area of the second residential component. Section 6-08(b) of the 421-a program Rules and Regulations provides that where a project contains separately assessed parcels, such as a residential condominium, the reduction of tax exemption resulting from excess Commercial Space should be allocated entirely to the non-residential parcels. However, in the event such allocation is applied to the non-residential parcels to the extent that no exemption exists for the non-residential parcels, and there is remaining exemption diminution to be allocated, such additional exemption diminution shall be allocated to the residential parcels. We have been advised that the Commercial Space contained in the second residential component of the Development, consisting of the Tower Units, Retail Unit and Garage Unit 2, will not exceed twelve percent of the aggregate floor area of the second residential component and therefore the amount of exemption will not be diminished.

In addition to the foregoing taxes, the Real Property Tax Law requires that taxes shall be paid in each tax year during which 421-a benefits are received in an amount equal to the assessed value of the land and any improvements thereon during the tax year preceding the commencement of construction, this amount being referred to as the mini-tax assessment, payable at the tax rate in effect for each year of the benefit period. The total taxable assessed valuation for Block 714, Lot 1 for the 2005/2006 fiscal year was $1,278,000.

The current policy of the Department of Finance is to allocate the mini-tax to the various units in a condominium in the same manner as the apportionment of the assessed valuation among the various units contained in the building. Upon conversion to condominium ownership, the individual residential apartments that comprise the Tower Units will be apportioned by the Department Of Finance into individual tax lots with separate assessed values. You have informed us that approximately 42.13% of the Development's general common interests will be allocated to the Tower Units. While we make no representations that Finance will use any particular method to apportion assessed valuation among the units of the project, for the purpose of computing the portion of the Development's total mini-tax assessment that will be allocated to the Tower Units, we have used the percentage of the Development's general common interest that you have provided for this analysis. Thus, for the purposes of this projection, we have allocated 42.13% of the mini-tax assessed valuation of $1,278,000 or $538,421, to the Tower Units. For the purposes of this analysis, we have estimated a tax class 2 tax rate of 12.576% based upon the current tax rate for the second half of the 2005/06 tax year. Accordingly, we estimate that real estate taxes with § 421-a tax exemption benefits attributable to the Tower Units for the first year of condominium operation will be approximately $67,711 ($538,421 x 12.576%).

The opinions expressed above are based on our interpretations of the Real Property Tax Law, the Administrative Code of the City of New York, and the applicable HPD regulations in effect as of the date hereof. You should be aware that the laws, regulations, practices and positions of the Building Department, Department of Finance and HPD upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction. We shall not be liable if, because of any change of laws and/or regulations, adverse determination on any unsettled law, or a changed interpretation by one or more agencies or Courts of competent jurisdiction regarding said laws and/or regulations, the Project fails to obtain, in whole or in part, Section 421-a benefits.

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No warranties are made herein nor are any assurances or representations given that HPD, the New York City Department of Finance or any other agency with jurisdiction will approve the Section 421-a application, nor is any warranty made or assurance or representation given that a court of competent jurisdiction will determine that the project is entitled to, in whole or in part, Section 421-a benefits. In addition, no warranty is made nor any assurance or representation given that the laws, rules, regulations, policies, positions and practices upon which this opinion is based will not be changed after the date of this opinion. We assume no obligation to advise you of any such changes of law or fact that may occur after the date hereof, notwithstanding the possibility that such changes may affect the legal analysis or conclusions contained herein. In addition, we do not warrant or represent the amount of tax savings if the project receives partial real estate tax exemption benefits.

Very truly yours,

Marcus & Pollack LLP

By: Robert Pollack
Robert M. Pollack

RMP/tb

WORKING CAPITAL FUND AND APPORTIONMENTS

The Purchaser of each Tower Unit shall be required to make a contribution at the Closing of such Unit Owner's Unit(s) to the Working Capital Fund (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) months Common Charges in effect for such Unit(s).

At the First Closing, Sponsor will apportion with the Condominium Board the following items as of midnight of the date preceding said Closing:

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

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the Common Elements;

(4) cost of fuel on hand (plus sales tax), if any;

(5) charges and receipts in connection with service, maintenance and concession contracts;

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any;

(9) management fees; and

(10) other customary adjustments.

Adjustments for prepaid expenses between Sponsor and the Condominium Board, if any, may be deducted from the Working Capital Fund. If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable or there are insufficient funds in the Working Capital Fund, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

The Working Capital Fund will be held and used for working capital, for such appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges collected from each Tower Unit.

The Condominium Board will be able to utilize the money in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. There is no minimum amount set for the Working Capital Fund regardless of the amount of adjustments. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Tower Units.

In the event that capital expenditures for renewal or replacement of building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, a Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws the Condominium Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

RESERVE FUND

No reserve fund for capital expenditures has been established for the Condominium. If funds are required to meet such costs, it may be necessary to increase monthly Common Charges or institutive a special assessment of Common Charges.

MANAGEMENT AGREEMENT

The Condominium Board will enter into a management agreement (the "Management Agreement") with Related Management Company, having an address at 203 East 86th Street, New York, New York 10028 (the "Managing Agent"), with respect to the Building at or prior to the First Closing. The principals of the Managing Agent are affiliated with Sponsor or its principals.

The management agreement provides for a term of three years commencing on the First Closing and thereafter, if not otherwise terminated by the Condominium Board, for one year periods, subject to any changes in fees set forth in a notice to be delivered to the Condominium Board which must be served at least forty-five (45) days but not more than sixty (60) days prior to the expiration of the initial term of the Management Agreement. The Management Agreement may only be terminated by the Condominium Board for cause; if the Managing Agent shall fail to perform or abide by any of its services, agreements, representations, warranties, covenants, or obligations herein, and shall fail to cure said failure within 30 days of notice of said failure sent by the Condominium to the Managing Agent, the Condominium shall have the right to terminate the Management Agreement at the end of any calendar month on not less than sixty (60) days' prior written notice to the Managing Agent. If the Condominium shall unreasonably refuse to comply with or abide by any proper rule, order, determination, ordinance or Law of any federal, state or municipal authority having jurisdiction or asserting jurisdiction, the Managing Agent may terminate this agreement at any time on ten (10) days' prior notice in writing to the Condominium. The Managing Agent may otherwise terminate this Agreement on thirty (30) days' prior written notice to the Condominium. The Condominium Board Corporation may not assign the Management Agreement without the written consent of the Managing Agent. The Managing Agent may assign the Management Agreement.

The Managing Agent will receive an annual fee of $125,000 during the first year of Condominium operation, payable in equal monthly installments, which shall be payable in the following increments: $25,000 shall be payable as Tower Common Charges, $90,000 shall be payable as Residential Common Charges, and $10,000 shall be payable as General Common Charges. In addition, for services rendered to Tower Unit Owners (other than Sponsor or its designee) in connection with processing applications to sell or otherwise transfer Units and obtaining necessary waivers of the right of first refusal by any Boards, the Managing Agent shall receive the following fees from Tower Unit Owners: (i) $550 upon the sale, lease or other transfer of a Tower Unit for reviewing the waiver of the Condominium's right of first refusal and other required documents, (ii) $550 in connection with the processing of a lease application for a Tower Unit Owner, (iii) $350 in connection with the processing of a renewal of a lease application for a Tower Unit Owner (iv) $350 in connection with a Tower Unit Owner's application for an appraisal or mortgage refinancing and (v) before any work can commence, $300 in connection with the alteration or renovation of a Tower Unit where an alteration does not entail in excess of $15,000 of work. In the event such alterations exceed $15,000 the Managing Agent shall be entitled to a fee equal to $300 or 2% of the cost of the alterations whichever is greater. Such fees shall not apply to the sale, rental or renovation of any Unsold Tower Unit owned by Sponsor or by a Permitted Mortgagee of Sponsor that has acquired title to Unsold Tower Units or to the sale or lease of a Tower Unit where Managing Agent procured the

Purchaser. The fees charged by the Managing Agent are consistent with fees charged with other managing agents managing buildings in Manhattan.

The Condominium Board shall reimburse the Managing Agent for all reasonable out of pocket expenses incurred by Agent in the performance of its duties under the Management Agreement including, but not limited to, messenger expenses and storage charges for the Condominium Board's documents and filing fees.

The duties and services to be rendered by the Managing Agent include, among others the services reasonably necessary for the care, protection, maintenance and operation of the General Common Elements, the Residential Common Elements, the Rental Common Elements the Tower Common Element, and Commercial Common Elements:

(1) Cause to be hired, paid, and supervised, using reasonable care all persons necessary to be employed, if any, in order to maintain and operate the Condominium properly; but all such employees in or about the Condominium shall be employees of the Agent (or independent contractors) and not employees of the Condominium, and the Board at its own cost and expense shall defend any suit brought against the Board or the Agent on account of the operation or maintenance of the Condominium, including injuries to employees or others, and the Board shall hold harmless and fully indemnify the Agent from any loss to the Agent on account thereof, unless such loss has been caused by the Agent's or its employees' gross negligence or willful misconduct, and the Agent will cause to be discharged all persons unnecessary or undesirable, all subject to such union contracts or other agreements then in existence;

(2) At its own expense, maintain a sufficient staff to perform all administrative, bookkeeping, clerical, receiving and disbursing services required in connection with the performance of its duties hereunder, provided, however, that Agent shall not be responsible for the expense of any personnel set forth on the then current Budget for the Condominium;

(3) Bill and collect all Residential Common Charges, General Common Charges and Tower Common Charges (the "Common Charges"), Special Charges or Assessments and other amounts due and payable by Unit Owners, rents from Common Elements of the Property leased to others and from Units owned by the Condominium and other income from the Property and send late notices to any Unit Owners who have not made timely payments of Common Charges, Assessments, interest, late fees or rent, allowing for any applicable grace periods therefor; and, in the event of a default by a Unit Owner or tenant of the Condominium under the Declaration, By-Laws or a lease held by the Condominium, provided Agent has received the Condominium's prior consent, and on behalf and for additional fees to be reimbursed by the Condominium, sue for collection of any late payments and/or file a notice of lien on a Unit and/or foreclose on a lien on a Unit and seek the Unit Owner's or tenant's eviction from same or retain attorneys to do any of the aforesaid;

(4) Cause the Common Elements to be repaired, restored, cleaned, added to, improved, altered, replaced or maintained in such condition as may be deemed advisable by Agent (whether through employees of the Condominium, through arrangement with the Base Unit Managing Agent (as such terms are hereinafter defined) or when required, in Agent's judgment, through independent contractors), including, but not limited to plumbing, steam-fitting, carpentry, elevator, painting and plastering, sidewalk and roadway repairs and gardening and, in conjunction therewith, to purchase such equipment, furniture, tools, appliances, materials, supplies, and uniforms as Agent shall reasonably deem necessary or advisable, provided that the expense to be incurred for any single repair by an independent contractor or for any single purchase shall not exceed $25,000 without the prior written consent of the Condominium, or in the case of Rental Common Elements or Commercial Common Elements, the Base Unit Owners, except if part of a pre-approved budgeted item or in the case of emergency repairs, immediately necessary for the preservation of the Property or the safety of the Unit Owners, tenants, or other persons, or required to avoid the suspension of any necessary service in the Property or reasonably necessary to avoid the criminal liability of the Condominium or Agent, in which case such emergency repairs may be made by Agent irrespective of the cost thereof without the prior approval of the Condominium, but Agent shall, with reasonable promptness, notify the President, Vice President or Treasurer of the Condominium of such emergency repairs; and in connection with the purchase of any material or services as hereinabove provided, Agent shall use commercially reasonable efforts to make such purchases at the lowest available costs from reliable suppliers and shall allow the Condominium any rebates or discounts obtained by Agent;

(5) Unless otherwise directed in writing by the Condominium in each instance, and as deemed necessary by Agent, enter into contracts for a term of no longer than two (2) years or requiring annual payments 10% greater than those in effect during the prior year for the same or similar services, for elevator maintenance, telephone service, window cleaning, steam, gas, electricity and water services, security services, extermination and other services as shall from time to time be approved by the Board and shall do so in its name or the name of the Board, as the latter shall elect; provided, that any service contract in excess of three (3) years or $15,000 per annum requires the consent of the Board, unless said service contract is part of a pre-approved budget;

(6) On behalf of and at the cost and expense of the Board, cause such acts or things to be done in and about the Common Elements and Units owned by the Condominium, and to prepare and file all such documents, as shall be necessary to comply with all federal, state and municipal statutes, rules, and regulations of and remedy all violations charged by any such authorities, the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or similar body. Any one order or violation involving an expenditure of over $10,000 shall be complied with only with the prior written approval of the Board, but orders or violations requiring emergency action immediately necessary for the preservation or safety

of the Condominium or for the safety of the Common Elements or the Units owned by the Condominium or for the safety of the Unit Owners, tenants or other persons, or required to avoid the suspension of any necessary service, or reasonably necessary to avoid criminal liability of Agent or the Board, may be complied with irrespective of the costs thereof, without the prior approval of the Board, but Agent shall, with reasonable promptness, notify the President, Vice President or Treasurer of the Board of same;

(7) On behalf of and at the expense of the Condominium and at the request of the Board cause to be effected and maintained, through agents and brokers approved by the Board, in such amounts and with such insurance companies as the Board shall approve, fire, extended coverage and rent insurance, public liability, elevator liability, boiler, workmen's compensation, fidelity bonds covering all members of the Board, officers and employees of the Condominium and, except as hereinafter provided, officers and employees of the Agent, to the extent obtainable, and such other insurance as the Board and Agent shall deem necessary or reasonably desirable or the protection of the interests of the Condominium and Agent, and Agent shall be named as an insured party in all liability policies;

(8) Deposit all monies received by it for or on behalf of the Condominium (less any sums properly deducted by Agent in accordance with the provisions of this agreement) to the account of the Condominium in one or more special bank account selected and maintained by Agent for such purpose and no such monies shall be commingled with other funds of Agent; Agent shall keep the Board advised of the balance of such accounts;

(9) Make careful audit of all bills received for services, work and supplies ordered in connection with maintaining and operating the Property, pay all such bills, and, also pay water charges, sewer rent and assessments assessed with respect to the Common Elements as and when the same shall become due and payable;

(10) Consider and, when reasonable, attend to the complaints of Unit Owners and tenants and advise the Board of any complaints not attended to, and the reason therefore;

(11) Cause to be prepared and filed the necessary forms for unemployment insurance, social security taxes and withholding taxes and all other forms required by any federal, state or municipal authority provided that any costs and expenses associated with such filings shall be the responsibility of the Condominium;

(12) Render to the Condominium monthly statements of receipts and expenditures on a cash basis for the preceding month and for the year to date, not later than the 20th business day of each month for the preceding calendar month. A copy of each such monthly statement shall be sent by Agent to the President and Treasurer of the Board, provided that the cost of reproduction shall be borne by the Condominium;

(13) Set up and maintain in a satisfactory manner, separate and accurate books of account, check books, minute books, records of Unit mortgages and mortgagees (to the extent same are received by Agent) and payroll and other records of the Condominium, and maintain orderly files of all rent records, leases, bills, vouchers, documents, correspondence, insurance policies, papers, etc. (collectively called "documents") pertaining to the Property, all of which shall be and remain the property of the Board. Agent shall, upon request of the Board, make all of said documents available to the Board and its officers, accountants, attorneys and other representatives and shall deliver same to the Board or its agents or representatives on demand;

(14) In conjunction with the certified public accountant of the Condominium, arrange for an annual audit each year of the books of account of the Condominium, including an annual report of the Condominium for the year then ended. If the Board shall so request, a copy of each such annual report shall be provided by Agent to each Unit Owner and the cost thereof shall be borne by the Condominium (including photocopying, postage, etc.);

(15) Prepare and submit annually to the Condominium an operating budget setting forth the anticipated income and expenses of the Condominium for the ensuing year and notify Unit Owners of annual and all other assessments of Common Charges as determined by the Condominium Board;

(16) Cause a representative of its company to attend annual meetings of the Unit Owners and the Condominium Board and, if desired by said Condominium Board, provide a secretary, at the Condominium's expense ($100.00 per meeting) to record the minutes of such meetings;

(17) Prepare and send out all notices of Condominium Board meetings and Unit Owner meetings and such other letters and reports as the Condominium Board may request (with the cost of reproduction, postage, etc. to be borne by the Condominium); and when requested, arrange for a suitable meeting place and prepare agendas for such meetings; and

(18) To the extent Agent has received notification of the name and address of mortgagees send to the mortgagees of Units, by registered or certified mail, copies of all novices of default, in the payment of Common Charges or in compliance with the Bylaws or Rules and Regulations of the Condominium, given to the owner of such Unit.

The Condominium Board will indemnify the Managing Agent against liability for all claims for all acts properly performed by the Managing Agent pursuant to the management agreement or at the instructions of the Condominium Board, provided however, any such indemnification shall not cover any claims resulting from the Managing Agent's gross negligence or willful misconduct.

The Management Agreement cannot be assigned without the written consent of the Condominium Board and the Managing Agent, except that the Managing Agent may assign the

Management Agreement to an entity in which one or more of the principals are also principals of the Managing Agent.

Notwithstanding anything to the contrary set forth above, the Managing Agent's responsibility under the management agreement shall not extend to supervising or managing major capital renovations or major capital improvements, unless specifically agreed upon in writing by the parties and unless the Managing Agent receives an additional fee therefor. The Managing Agent, at the expense of the Condominium, will be bonded during the term of the Management Agreement under fidelity or general surety bonds in the amount of $100,000 in favor of Condominium for any loss resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees.

IDENTITY OF PARTIES

Sponsor

Sponsor is 450 West 17th Associates LLC, a New York limited liability company with an office at 60 Columbus Circle, New York, New York, 10023 formed on October 18, 2005, a joint venture between The Related Companies, L.P., Taconic Investment Partners ("Taconic Investment Partners") and Abington 1710 LLC ("Abington Holding").

The Related Companies, L.P. is a fully integrated real estate firm with divisions specializing in acquisitions/development, financial services and management. Since its inception in 1972, Related has grown to a team of approximately 1,100 people who oversee a real estate portfolio valued in excess of $10 billion. Related's Development division is a leading developer and acquirer of luxury rental and for-sale apartments, government-assisted housing, retail, commercial and mixed-use properties. To date, the Company has developed or acquired over 40,000-market rate and affordable housing units, 4.6 million square feet of commercial and Retail Unit and remains one of the country's most active developers. Related currently has over $3.2 billion of properties under construction and/or development in New York City, consisting of 4,000 housing units, 600 hotel rooms, 3,000,000 square feet of Retail Unit and 1,500,000 square feet of office space. In Florida, Related has over $1.5 billion of property under development consisting of more than 4,000 housing units. In California, Related has $1.2 billion of property under development consisting of 1,500 housing units.

Founded in 1997, Taconic Investment Partners is a fully-integrated real estate investment company that owns and operates office and multifamily properties. Taconic Investment Partners has acquired and redeveloped over nine million square feet of office properties in New York, Chicago, Washington, D.C. and Atlanta and has owned and operated apartments in the New York Metropolitan area. Led by Taconic Investment Partners founders Paul Pariser and Charles Bendit, the team includes professionals experienced in all aspects of the real estate business with professional capabilities in acquisition, finance, asset management and property leasing, management and development.

Abington Holding is a family owned and operated business that has over 60 years of experience in the real estate industry. In that time, the organization has built over 50 buildings, and renovated many others. The company's current real estate portfolio contains in excess of 1,500 residential units, with properties located in New York, Florida, Louisiana, North Carolina, and Nevada

The principals of Sponsor are Stephen Ross, Jeff Blau, David Wine, Bryan Cho, Bruce Beal, Greg Gushee, Charles Bendit and Paul Pariser, all of whom have been involved in ownership, management and sale of real estate for a number of years.

The principals of Sponsor have not been involved in any condominium or cooperative offering plans for the last five years and do not own ten (10%) percent or more of the unsold units or unsold shares in any building except as follows:

Stephen Ross, Jeff Blau, David Wine, Bruce Beal, Bryan Cho and Greg Gushee are principals of the offering plan for the property located at 250 East 53rd Street, New York, New

York 10022 (no file number has yet been assigned by the Department of Law), 53rd & 2nd Associates, LLC.

Further, Stephen M. Ross, Jeff Blau, Bruce A. Beal, Jr. and David J. Wine are principals of 279 CPW Associates LLC, the sponsor of the Second Restated Condominium Offering Plan with respect to certain unsold condominium units at 279 Central Park West, New York, New York, which Second Restated Plan (the Seventh Amendment to the original offering plan) was accepted for filing by the New York State Department of Law on June 9, 1998. The Department of Law's file number for the plan is CD88-0503. The date that the original offering plan was accepted for filing by the Department of Law was July 21, 1989.

Stephen M. Ross, Jeff Blau, Bruce A. Beal, Jr. and David J. Wine are principals of Evod Acquisition LLC, the sponsor of the Condominium Offering Plan with respect to condominium units at 181 East 65th Street, New York, New York, which Condominium Offering Plan was accepted for filing by the New York State Department of Law on January 28, 1999. The Department of Law's file number for the plan is CD98-0111.

Stephen M. Ross, Jeff Blau, Bruce A. Beal, Jr. and David J. Wine are principals of 56th Street Associates, LLC, the sponsor of the Condominium Offering Plan with respect to the condominium units at 230 West 56th Street, New York, New York, which Condominium Offering Plan was accepted for filing by the New York State Department of Law on October 25, 2000. The Department of Law's file number for the plan is CD00-0103.

Stephen M. Ross, Jeff Blau, Bruce A. Beal, Jr. and David J. Wine are principals of Columbus Centre Residential LLC, the sponsor of the Condominium Offering Plans for sale of units at:

One Central Park—North Tower
Time Warner Center Condominium
50 Columbus Circle
New York, New York (Dept. of Law File No. CD01-0178);

And

One Central Park—South Tower
Time Warner Center Condominium
25 Columbus Circle
New York, New York (Dept. of Law File No. CD01-0084).

Stephen M. Ross, Jeff Blau, Bruce A. Beal, Jr., Greg Gushee and David J. Wine are principals of One Carnegie Hill Associates, LLC, the sponsor of the Leasehold Condop Offering Plan for sale condop apartments at 215 East 96th Street, New York, New York. The Department of Law File Number for the plan is CC04-0003.

Stephen M. Ross, Jeff Blau, Bruce A. Beal, Jr., Greg Gushee and David J. Wine and are principals of Astor Place Associates, L.L.C., the sponsor of the Leasehold Condop Plan for sale of Leasehold Cooperative Ownership of the Residential Condop Unit of the Astor Place

Condominium at 445 Lafayette Street, New York, New York. The Department of Law File Number for the plan is CC04-0004.

Stephen M. Ross, Jeff Blau, Bruce A. Beal, Jr., and David J. Wine are principals of Southtown Building 3, L.L.C., the sponsor of the Condominium Offering Plan for sale of condominium units at 455 Main Street, New York, New York. The Department of Law File Number for the plan is CD04-0171.

Bryan Cho, Stephen M. Ross, Jeff Blau, Bruce A Beal, Jr. and David J. Wine are principals of Bradhurst Development Company, LLC, the sponsor of the Cooperative Offering Plan for the sale of cooperative apartments within the Residential Unit of the Bradhurst Court Condominium. The Department of Law File Number for the plan is CC04-0001. The closing of title to the apartment corporation was held on April 20, 2005.

Bryan Cho is a principal of Viking 32 Holdings, L.L.C., which is a member of 53rd and 2nd Associates, L.L.C. which is sponsor for The Veneto, 250 East 53rd Street, CD05-0644.

There have been no prior felony convictions of Sponsor, or any principals of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Developer

The Developer for this offering is 17th and 10th Associates LLC, having an address at c/o The Related Companies, 60 Columbus Circle, New York, New York 10023. The Developer has been involved in the sale of coops and condominiums in Manhattan for a number of years.

There have been no prior felony convictions of Sponsor, or any principals of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Selling Agent

The Selling Agent for this offering is Related Residential Sales, LLC, having an address at 60 Columbus Circle, New York, New York 10023. The Selling Agent has been involved in the sale of coops and condominiums in Manhattan for a number of years.

Related Residential Sales is the exclusive marketing and sales division for The Related Companies. The formation of Related Residential Sales is a natural progression for the firm following in the tradition of exceptional service and first-class product for which Related has become known. For the past two years, Related Residential Sales has collaborated with Related's development team on market analyses, planning and product design development while formulating marketing, sales and pricing strategies new for-sale developments. Related Residential Sales also works with Related's affiliate sales divisions throughout the country in Chicago, California and Florida to reinforce and expand Related's national brand recognition as an industry leader in the luxury residential market.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent; and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Managing Agent

Related Management Company, having an office at 203 East 86th Street, New York, New York will be the managing agent for the Building. (See the Section entitled "Management Agreement" in Part I of the Plan). The Managing Agent is affiliated with Sponsor. The Managing Agent has been engaged in the development ownership, operation and management of New York City residential properties for a number of years.

Since its inception in 1974, Related Management Company has become known for professional, responsive management of both affordable and market-rate residential communities. Related Management Company's reputation for quality service results from its core philosophy, which is anchored in respect for its employees, residents and investors. Related Management Company serves as the primary property manager for The Related Companies, and currently manages residential, retail, and office properties throughout the United States.

There have been no prior felony convictions of the Managing Agent, or any principals of the Managing Agent; and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of the Managing Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

A list of properties which have been managed by the Managing Agent include the following:

The Strathmore 400 East 84th Street New York, New York	The Sierra 130 West 15th Street New York, New York
The Monterey 175 East 96th Street New York, New York	Tribeca Tower 105 Duane Street New York, New York
Carnegie Park 200 East 94th Street New York, New York	The Tate 535 West 23rd Street New York, New York
The Westport 500 West 56th Street New York, New York	The Sagamore 189 West 89th Street New York, New York

One Union Square South New York, New York	The Chatham 181 East 65th Street New York, New York
The Park Imperial 230 West 56th Street New York, New York	Tribeca Park 400 Chambers Street New York, New York
One CPS Tower 25 Columbus Circle New York, New York	The Lyric 255 West 94th Street New York, New York
The Westminster 180 West 20th Street New York, New York	

Attorneys for Sponsor

Sponsor has retained the law firm of Stroock & Stroock & Lavan LLP, having an office at 180 Maiden Lane, New York, New York 10038 to represent it in connection with the Plan. Stroock & Stroock & Lavan LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Tower Unit deed and Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Tower Units and compliance with Section 339-i of the Real Property Law. Michel Evanusa, Esq. had principal responsibility for the preparation of the Plan.

Sponsor has retained Michael, Levitt, Goldberger & Rubenstein, LLC, having offices at 60 Columbus Circle, 20th Floor, New York, New York 10023 to serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor has retained Marcus & Pollock LLP, having offices at 708 Third Avenue, New York, New York 10017 to represent it in connection with the estimated valuation of the Property for real estate tax purposes and to represent it in connection with its application for 421-a benefits.

Sponsor's Architects/Engineers

The architect for the Building is Handel Architects LLP, having an office at 150 Varick Street, 8th Floor, New York, NY 10013 which has had extensive experience in residential design and overall planning.

I.M. Robbins, having an office at 15 West 44th Street, New York, New York 10036, is the mechanical engineer for the Building.

Clodagh Design, having an office at 670 Broadway, New York, New York 10012 is the designer of common areas interior finishes and apartment specifications.

HM White Site Architects, having an office at 130 West 29th Street, 9th Floor, New York, New York 10001 is the outdoor landscape architect for the project.

Cantor Seinuk, having an office at 228 East 45th Street, 3rd Floor, New York, New York 10017, is the structural engineer for the building.

Sponsor's Energy Expert

I.M. Robbins, having an office at 15 West 44th Street, New York, New York 10036, prepared the estimates of energy usage by individual Tower Unit Owners set forth in Part I of the Plan.

Sponsor's Condominium Expert

Penmark Realty Corp., having an address at 5 East 86th Street New York, New York 10028, estimated all amounts of income and expenses in Schedule B, "Projected Budget For First Year of Condominium Operation," in consultation with Sponsor and provided its opinions regarding the adequacy of the Budget and the adequacy of the Common Charges payable by the Base Unit Owners.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give Unit Owners annually:

(1) a financial statement of the Condominium prepared by a certified public accountant within four months after the end of each fiscal year, which statement shall be certified while the Sponsor has the right to appoint a majority of the members of the Condominium Board;

(2) prior notice of the Annual Unit Owner's meeting; and

(3) a copy of the proposed annual budget of the Condominium delivered to Unit Owners at least five (5) days prior to the adoption thereof. For so long as Sponsor has the right to appoint a majority of the members of the Condominium Board, Sponsor will have the annual budget of the Condominium certified in accordance with 13 NYCRR 20.4(d).

RECORDATION, INSPECTION AND DELIVERY OF DOCUMENTS

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six (6) years all without charge and for copying for a reasonable charge. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be in the City Register's Office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Tower Unit deed, form of Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Tower Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party (including without limitation, parties purchasing from Purchasers) shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the purchase price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material amendment to the Plan as to which rescission is required by the Department of Law, Purchasers will have a right of rescission which may only be exercised within fifteen (15) days from the date of presentation of said amendment. Escrow Agent shall promptly return any Deposit, together with any interest thereon, to Purchasers who rescind, except that Escrow Agent shall return to Sponsor the Deposit (and any interest thereon) of any Purchaser who is in default under the Agreement beyond any applicable grace period.

Sponsor has not entered into any contracts or agreements, written or oral, for the sale or transfer of any of the Tower Units offering in the Plan, and no deposits or advances of funds will be taken by or on behalf of the Sponsor in connection with the reservation, sale or transfer of such Tower Units, prior to the acceptance of the Plan.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of

Units offered by the Plan or in the leasing of any such Units because of such person's sex, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by Law.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Property and the Building have not been the subject of any prior public offerings. Sponsor has previously tested the market pursuant to Cooperative Policy Statement No. 1, File No. CP-05-0204.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 4 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

PART II

THE CALEDONIA

450 WEST 17TH STREET

NEW YORK, NEW YORK 10011

EXHIBIT "1"

AGREEMENT

OPTION AGREEMENT

450 WEST 17TH ASSOCIATES LLC

Sponsor-Seller

TO

_____

Purchaser

UNIT NUMBER _____

THE CALEDONIA
450 WEST 17TH STREET
NEW YORK, NEW YORK 10011

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UNIT NUMBER(S) _____

THE CALEDONIA
450 WEST 17TH STREET
NEW YORK, NEW YORK 10011

(to be executed in quintuplicate)

This option agreement (the "Agreement"), made as of the date on the signature page of the Agreement, between 450 West 17th Associates LLC, a New York limited liability company, having an office at 60 Columbus Circle, New York, New York 10023 ("Sponsor"), and

_____, having an address at

_____ ("Purchaser").

WITNESSETH:

1. THE PLAN. Purchaser acknowledges having received and read a copy of the Offering Plan for the Tower Section of The Caledonia and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding.

2. DEFINITIONS. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

3. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit ("Unit") to be designated as Unit __ in the Plan, together with the ___ percentage undivided interest in the General Common Elements of the Condominium appurtenant thereto, ___ percentage undivided interest in the Tower Common Elements of the Condominium appurtenant thereto, and __ percentage undivided interest in the Residential Common Elements of the Condominium appurtenant thereto.

4. PURCHASE PRICE.

4.1 The purchase price for the Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____ (the "Initial Deposit"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged.

(b) $_____ (the "Additional Deposit"), by check payable no later than the earlier to occur of: (i) _____ which is twelve (12) months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection. The Initial Deposit and the Additional Deposit are hereinafter collectively referred to as the "Deposit."

(c) $_____, constituting the balance of the Purchase Price, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the Deposit (other than any portion of the Deposit paid at the Closing pursuant to the provisions of this Agreement) shall be made payable to "Michael, Levitt, Goldberger & Rubenstein, LLC, Escrow Agent." Checks for the balance of the Purchase Price (including any portion of the Deposit paid at the Closing pursuant to the provisions of this Agreement) shall be made payable by good certified check of Purchaser or official bank check to the direct order of "450 West 17th Associates LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Deposit as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. CLOSING OF TITLE.

5.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on notice served not less than thirty (30) days' prior to the scheduled date for closing. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser. In the event of such adjournment, a closing may be rescheduled by Sponsor upon written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing. In the event this Agreement is executed after the First Closing, the closing of title shall occur thirty (30) days after the date of this Agreement.

5.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

5.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 5.1 hereof.

6. DELIVERY OF THE DEED AND POWER OF ATTORNEY.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by Law, all of which shall be prepared by Sponsor.

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

6.3 The deed and power of attorney to the Condominium Board, Developer and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

6.4 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and (ii) each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

7. FEE TITLE. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) Royal Abstract of New York LLC, having an address at 500 Fifth Avenue, Suite 1940, New York, New York 10010 (212-376-0900) (or such other title insurance company as Purchaser may utilize), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8. CLOSING ADJUSTMENTS AND REAL ESTATE TAXES.

8.1 Subject to Paragraph 15 hereof, the following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges for the month in which title closes; and

(c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

8.2 If closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date, the adjustments and collection of taxes under subsection 8.1(a) hereof and future tax payments shall be as described in the Section of the Plan entitled "Closing Costs and Adjustments."

8.3 If Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

8.4 The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

8.5 Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. The provisions of this subsection shall survive the closing.

9. MORTGAGE TAX CREDIT. In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. Alternatively, Sponsor may require, in its sole discretion, that a Purchaser, who is financing the purchase of the Unit with a purchase money loan secured by a mortgage (the "Purchase Money Mortgage"), must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, the Purchase Money Mortgage will be exempt from mortgage recording tax under Section 255 of the Real

Property Tax Law. Sponsor will be solely entitled to the benefits of any mortgage tax credit which Purchaser receives as a result of such assignment. Accordingly, at the Closing, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

10. CLOSING COSTS. In addition to those costs and adjustments described in Articles 8 and 9 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11. DEPOSIT. The Deposit made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law (the provisions of which are set forth in Part II of the Plan and deemed incorporated herein by reference) and Sections 352-e(2-b) and 352-h of the General Business Law of the State of New York. Any Deposit received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser elose title under this Agreement. Sponsor is required by Law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Deposit, if any. Purchaser will be taxed accordingly on such interest.

12. BINDING EFFECT OF DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

13. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

14. PURCHASER'S REPRESENTATIONS. Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at any time, such documents evidencing Purchaser's authority as may be required by Purchaser's title company or Sponsor. Purchaser acknowledges and agrees that Sponsor may desire to obtain certain information about Purchaser's (or Purchaser's principals) character, general reputation, personal characteristics and mode of living prior to counter-executing this Agreement and in order to permit Sponsor to comply with the requirements of the Fair Credit Reporting Act, Purchaser hereby authorizes Sponsor, if Sponsor elects in its sole discretion, to obtain such information and to retain a credit reporting agency to obtain such information.

15. DEFAULT BY PURCHASER.

15.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay the Additional Deposit or the balance of the Purchase Price on the Closing Date designated by Sponsor; or

(ii) Purchaser's failure to duly complete and sign before a notary public and deliver at closing the power of attorney or the New York State and City transfer tax returns; or

(iii) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(iv) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(viii) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(ix) The failure to pay, perform or observe any of Purchaser's other obligations hereunder.

15.2 TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to

perform any of Purchaser's other obligations hereunder, Sponsor shall give notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). The provisions of the Interstate Land Sales Full Disclosure Act (the "Interstate Land Sales Full Disclosure Act") state that except in the case of an exempt transaction, a developer may not sell or lease lots in a subdivision, making use of any means or instruments of transportation or communication in interstate commerce, or of the mails, unless a statement of record (a "Statement of Record") is then in effect in accordance with the Interstate Land Sales Full Disclosure Act. Sponsor believes that the Condominium is currently not exempt from the provisions of the Interstate Land Sales Full Disclosure Act. In such instance, the amount of the Deposit to be retained by Sponsor upon Purchaser's failure to cure a default after the expiration of the thirty (30) day notice and opportunity to cure period will be the greater of (i) fifteen percent (15%) of the Purchase Price (excluding any interest owed) or (ii) the amount of damages incurred by Sponsor due to the default. For purposes hereof, "damages" mean actual damages resulting from the default, as determined under New York State law.

15.3 If Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date (a) the closing apportionments described in Section 8.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE.

16.1 The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

16.2 If the Plan is abandoned or if after being declared effective the Plan will not be consummated for any reason, this Agreement will be deemed canceled and the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, will be disbursed to Purchaser, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section of the Plan, entitled "Effective Date." After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

17. SPONSOR'S INABILITY TO CONVEY THE UNIT. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy will be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor will, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section of the Plan, entitled "Terms of Sale," and, upon making such payment, this Agreement will be terminated and neither party hereto will have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it will be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

18. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit.

19. ACCEPTANCE OF CONDITION OF PROPERTY. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) the "punch list" items in the Unit (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit provided that Sponsor delivers a temporary certificate of occupancy for the Unit. The Unit and the fixtures and personal property contained therein, are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Unit, and the fixtures and personality contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Unit shall have the right to inspect such Unit prior to the Closing Date. However, the failure of Sponsor to complete "punch list" type work shall not be a ground for

Purchaser delaying the Closing provided that Sponsor agrees to complete such work promptly after closing. Purchaser will receive at least five (5) business days notice that the Unit is available for inspection and Sponsor reserves the right to postpone and/or reschedule any scheduled inspections of the Unit upon one (1) business day's notice and Sponsor reserves the right to schedule additional inspections as Sponsor deems necessary or appropriate. If Purchaser fails to inspect the Unit within said period(s), Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (f) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property. Sponsor and Developer are obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Neither Sponsor or Developer is making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to view or light quality. The sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable codes and files plans and specifications, and any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.

Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), except as more as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

Notwithstanding the foregoing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces. The provisions of this Article shall survive the closing of title.

20. DAMAGE TO THE UNIT. If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

20.1 The risk of loss to the Unit by fire or other casualty is assumed by Sponsor until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

20.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement will be deemed canceled and of no further force and effect and Sponsor will return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section of the Plan, entitled "Terms of Sale," and neither party hereto will have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor will retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

21. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on such Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. The provisions of this Article shall survive the closing of title.

22. PROHIBITION AGAINST ADVERTISING AND SELLING. Prior to the closing of title of a Unit, the Agreement prohibits Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent. In addition, a Purchaser (other than a Purchaser purchasing for such Purchaser's own occupancy) may not

advertise, list or sell a Unit acquired from Sponsor for twelve (12) months after acquisition of such Unit (provided however, such limitation shall not apply from and after the date that the Sponsor conveys title to all of the Tower Units). Any such conveyances in violation of the foregoing will be voidable by Sponsor.

23. BROKER. Purchaser represents to Sponsor that Selling Agent, Sponsor and [ ] (collectively the "Broker") are the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by the Broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 23 shall survive the closing of title.

24. AGREEMENT MAY NOT BE ASSIGNED. Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement. For purposes of this Agreement, it is the intent of the part(ies) that the individuals controlling Purchaser shall be deemed to be _____. Any purported assignment by Purchaser in violation of this Agreement will constitute a default hereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser will be required to pay Sponsor's attorneys a fee of $1,000, in advance, for preparation of an assignment agreement.

25. BINDING EFFECT. This Agreement shall not be binding on Purchaser or Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within thirty (30) days after delivery by Purchaser of an executed Agreement by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the deposit paid on the execution hereof shall be promptly returned to Purchaser.

26. NOTICES. Any notice, request, letter, consent or other communication hereunder or under the Plan (other than amendments to the Plan which shall be served in accordance with the Plan or documents for which the method of notice and or delivery is otherwise set forth in the Plan) shall be in writing and delivered by regular mail as well as hand delivered or sent, postage prepaid, by registered or certified mail, by facsimile or by Federal Express or other reputable overnight courier, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Michael, Levitt, Goldberger & Rubenstein, LLC, 60 Columbus Circle, New York, New York in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to

the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself (including, without limitation, any notices of closing or default which Sponsor's counsel is hereby expressly designated and empowered to issue). A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in anyway invalidate such communication. Notwithstanding anything to the contrary, notices regarding closing costs or ministerial matters, the rescheduling of Closing Dates or the scheduling or rescheduling of inspections may be made by facsimile to each party's attorneys.

27. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

28. PERFORMANCE BY AND LIABILITY OF SPONSOR. Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed.

29. FURTHER ASSURANCES. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. The provisions of this Article shall survive the closing of title.

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

31. AGREEMENT NOT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Section 4 of this Agreement, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance Purchaser's purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

32. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this

Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

33. SEVERABILITY. If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

34. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

35. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the Laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of Law.

36. WAIVER OF JURY. EXCEPT AS PROHIBITED BY LAW, THE PARTIES SHALL, AND THEY HEREBY DO, EXPRESSLY WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN THIS AGREEMENT OR THE RELATIONSHIP CREATED HEREBY. THE PROVISIONS OF THIS ARTICLE SHALL SURVIVE THE CLOSING OF TITLE.

37. ENTIRE AGREEMENT. This Agreement together with the Plan constitutes the entire agreement between the parties and supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

38. CERTAIN REFERENCES. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

39. CAPTIONS. The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

40. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement or the Plan.

41. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and

permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

42. NO ORAL CHANGES. This Agreement cannot be changed or terminated and no provision waived orally. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

43. COUNTERPART SIGNATURES. This Agreement may be executed in any number of counterparts, any one of which shall constitute an original of this Agreement. When counterparts have been executed by all parties, they shall have the same effect as if the signatures to each counterpart were upon the same documents and shall be deemed valid as originals. The parties agree that all such signatures may be transferred to a single document upon the request of any party. This Agreement shall not be binding unless and until it shall be fully executed and delivered by all parties hereto.

44. INTERSTATE LAND SALES. THE FOLLOWING PROVISION IS DEEMED INCORPORATED ONLY SO LONG AS THE PROPERTY IS NOT EXEMPT FROM THE PROVISIONS OF THE INTERSTATE LAND SALES FULL DISCLOSURE ACT 15 USC §§1701 ET SEQ.

YOU HAVE THE OPTION TO CANCEL OUR CONTRACT OR AGREEMENT OF SALE BY NOTICE TO THE SPONSOR UNTIL MIDNIGHT OF THE SEVENTH DAY FOLLOWING THE SIGNING OF THE CONTRACT OR AGREEMENT.

IF YOU DID NOT RECEIVE A PROPERTY REPORT PREPARED PURSUANT TO THE REGULATIONS OF THE OFFICE OF INTERSTATE LAND SALES REGULATION, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, IN ADVANCE OF YOUR SIGNING THE CONTRACT OR AGREEMENT, THE CONTRACT OR AGREEMENT MAY BE CANCELLED AT YOUR OPTION FOR TWO YEARS FROM THE DATE OF SIGNING.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date: _____
(To be inserted after execution by Sponsor)

SPONSOR:

450 WEST 17TH ASSOCIATES LLC

By: _____
Name:
Title:

PURCHASER:

_____
(Social Security or Federal I.D. Number): _____
Telephone No. _____

_____
(Social Security or Federal I.D. Number): _____
Telephone No. _____

SCHEDULE A
PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey of the Property would show, provided such state of facts would not make title to the Unit uninsurable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans; as all of the same may be amended from time to time.

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

5. Any easement or right of use in favor of any utility company for construction, use, Maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases and service, Maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which Royal Abstract of New York LLC (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for residential purposes.

14. Any lease covering the Unit made from the Sponsor to the Purchaser.

15. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

16. Any title exceptions noted in the Specimen Title Policy set forth in Part II of the Plan.

EXHIBIT "2"

POWER OF ATTORNEY

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 17th and 10th Associates LLC ("Declarant") establishing a plan for condominium ownership of the premises known as The Caledonia and by the street number 450 West 17th Street, New York, New York 10011 under Article 9-B of the Real Property Law of the State of New York, dated _____, 20_, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in Reel _____, page _____, or (b) in the by-laws of The Caledonia (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, the owner of the Condominium Unit (the "Unit") in The Caledonia which is (are) designated and described as Tower Unit No. _____ in the Declaration and also designated as Tax Lot ____, in Block 714 of Section 03 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Tower Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Tower Unit Owners, to acquire or lease any Tower Unit, together with its Appurtenant Interests, from any Tower Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Tower Unit, together with its Appurtenant Interests, from any Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Tower Unit Owners, to acquire any Tower Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Tower Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Tower Unit so acquired by them, or to sublease any Tower Unit so leased by them without the necessity of further authorization by the Tower Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Tower Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board, with respect to the General Common Elements and the Residential Section deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition, construction, alteration, repair or restoration of the General Common Elements or the Residential Section as the case may be, (b) any consent,

covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section which the Condominium Board deems necessary or appropriate or (c) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned, do(es) hereby nominate, constitute and appoint the Declarant or the Sponsor, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Tower Units, Base Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 20_.

_____

(ACKNOWLEDGMENT)

EXHIBIT "3"

TOWER UNIT DEED

TOWER UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20__, between 450 West 17th Associates LLC, a New York limited liability company, having an office at 60 Columbus Circle, New York, New York 10023 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (the "Unit") in the premises known as The Caledonia and by the street number 450 West 17th Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Tower Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County office of the Register of The City of New York (the "City Register's Office") on _____, in Reel _____, page ____, and also designated as Tax Lot(s) ____ in Block 714 of Section 03 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by _____, on _____, 20_, and filed in the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20_, as Condominium Map No. ____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the by-laws of The Caledonia. (Said by-laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws.")

Together with an undivided _____ percentage interest in the General Common Elements (as such term is defined in the Declaration):

Together with an undivided _____ percentage interest in the Residential Common Elements (as such term is defined in the Declaration):

Together with an undivided _____ percentage interest in the Tower Common Elements (as such term is defined in the Declaration)

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants

running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration regarding such invalidity shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Tower Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date: _____
(To be inserted after execution by Sponsor)

450 WEST 17TH ASSOCIATES LLC

By: _____
Title:

_____
Grantee

_____
Grantee

(ACKNOWLEDGMENT)

EXHIBIT A

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

Lot 1

BEGINNING at a point on the easterly side of 10th Avenue, at a point distant 23 feet 3 inches southerly from the corner formed by the intersection of the southerly side of West 17th Street and the easterly side of 10th Avenue;

RUNNING THENCE easterly parallel with West 17th Street 100 feet to a point;

THENCE northerly parallel with 10th Avenue, 23 feet 3 inches to the southerly side of West 17th Street;

THENCE easterly along the southerly side of West 17th Street, 200 feet;

THENCE southerly parallel with 10th Avenue, 184 feet to the northerly side of West 16th Street;

THENCE westerly along the northerly side of West 16th Street, 300 feet to the easterly side of 10th Avenue;

THENCE northerly along the easterly side of 10th Avenue 160 feet 9 inches to the point or place of BEGINNING.

TOGETHER WITH THE BENEFITS OF that certain Zoning Lot and Development Agreement between 437 West 16th Street LLC and 17th and 10th Associates, LLC dated 1/3/06 and recorded 3/16/06 as CRFN 2006000149367 (Affects lots 14 and 16 in Block 714)

SCHEDULE B

PERMITTED ENCUMBRANCES

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "4"

DESCRIPTION OF PROPERTY

HANDEL ARCHITECTS LLP
150 Varick Street, 8th Floor
New York, New York 10013
Tel: 212-595-4112 Fax: 212-595-9032

July 28, 2006

Architects Report
Description of Property and Proposed Building

A. Location of Property:

1.	Address:	450 West 17th Street New York, NY 10011
2.	Block No.: Lot No.:	714 1
3.	Zoning District:	WCh C6-3
4.	Permissible Use:	Residential & Commercial

B. Status of Construction:

1. The Sponsor will begin construction in April, 2006 and anticipates being Substantially Complete with the work in September, 2008 unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control.

2. Certificate of Occupancy: After completion of construction the Sponsor will apply for a Temporary Certificate of Occupancy for the building complex from the New York City Department of Buildings ("Department of Buildings"). The Sponsor will obtain a permanent Certificate of Occupancy prior to the expiration of the Temporary Certificate of Occupancy. The Sponsor will obtain a certificate of occupancy prior to the first closing of a Tower Unit.

3. Class of Construction: The building will be classified as Class 1B (Non-Combustible) and will conform to all applicable regulations of the Building Code of the City of New York ("Building Code"). The building will comply with Local Law 58 (Handicapped Access Law).

4. The new building plans were approved by the New York City Department of Buildings on July 27, 2006. The permit number is 104318908-01-NB.

5. Where materials, appliances, equipment, fixtures and other construction and design details are specified in this report, developer has reserved the right to substitute in their place similar materials, appliances, equipment and/or fixtures of equal or better quality.

HANDEL ARCHITECTS LLP
450 West 17th Street, New York, NY

Architects Report,
July 28, 2006
Description of Property and Proposed Building

C. Site:

1. The total site area is 52,875 square feet. A site plan is included in Attachment #I.

2. There will be one 24-story residential building with a cellar, a mezzanine floor, a mechanical equipment screen on the roof, and elevator and stair bulkheads. Floors will be designated as Lower Level, Ground Floor, Mezzanine, Floors 3-12, Floors 14-25 and Floor 26/PH. There will be no 2nd and 13th floor for marketing purposes.

3. This site contains a 300'-0" frontage along West 16th Street, 200'-0" frontage along West 17th Street and 161'-0" frontage on 10th Avenue.

   i) The streets on West 16th Street, West 17th Street and 10th Avenue are paved with an asphalt topping and are in good condition.

   ii) The existing curbs will be replaced with new curbs per NYCDOT standards.

   iii) The streets are presently pitched from a crown at the center of the street to drain to each side of the street where the street is then pitched to existing cast iron catch basins located at the corners of intersecting streets into the New York City storm water drainage system. The catch basins are in good condition. There is one catch basin at each corner at the intersections of 10th Avenue, West 16th Street and West 17th Street.

   iv) Street lighting is provided & maintained by the City of New York. There are street lights in the following locations:

   There is one existing street light approximately 82 feet to the east of the 10th Avenue curb line on the south side of West 17th Street.
   There is one existing street light approximately 13 feet to the east of the property line on the south side of West 17th Street.
   There is one existing street light approximately 66 feet to the north of the West 16th Street curb line on the east side of 10th Avenue.
   There is one existing street light approximately 110 feet to the east of the 10th Avenue curb line on the south side of West 16th Street.
   There is one existing street light approximately 218 feet to the east of the 10th Avenue curb line on the north side of West 16th Street and on the property line, which will be re-located to the curb of West 16th on the same side of the street and approximately 5 feet to the east from the current location.
   There is one existing street light approximately 353 feet to the east of the 10th Avenue curb line on the south side of West 16th Street.
   There is one existing street light on the west side of 10th Avenue approximately 15 feet to the north of the West 16th Street curb.

   v) The items listed above conform to NYC Building code regulations and NYCDOT standard details and locations of items listed above.

4. Drives, Sidewalks, Ramps

i) The existing sidewalks, 300.00' long and 13.0' wide (3900 SF) along West 16th Street, 200.00' long and 11.0' wide (2200 SF) along West 17th Street and 172.5' long and 20.0' wide (3450 SF) along 10th Avenue will be replaced with a 4" concrete sidewalk and 6" granular base.

ii) The curbs are described in Section 3 (ii)

iii) The sidewalk and street drainage is described in Section 3 (iii).

iv) Street lighting is described in Section 3 (iv)

v) The items listed above conform to NYC Building code regulations and NYCDOT standard details and locations of items listed above.

D. Utilities:

1. Electricity: Electricity will be provided by Consolidated Edison Company ("Con Ed"). The total electricity consumed for each Tower Unit and Rental Apartment (including the electricity required to power incremental room HVAC units) shall be separately metered and billed by Con Ed. The electricity consumed in the Retail Unit, Fitness Facility Unit, and Garage Units will be separately metered by Con Ed or submetered and paid by the owners of such Units or their tenants. The electricity consumed in the Residential Common and General Common areas of the building (including the residential amenities and all other residential amenity rooms) will be metered by the Con Ed master meter, and the cost of the same will be borne by the Owners as a Residential Common or General Common Expense.

2. Gas: Gas will be provided by Con Ed. Any gas consumed in the Retail Unit, Fitness Facility Unit, and Garage Units will be separately metered and paid by the owners of such Units or their tenants. The cost of the gas consumed in the balance of the building (including all gas used for cooking or heating purposes in the Tower Units and Rental Apartments) will be borne by the Unit Owners as a Residential Common Expense. The cost of gas consumed in the General Common Elements will be borne by all of the Unit Owners as a Residential Common or General Common expense.

3. Water and Sewer Water and Sewer service will be provided by the City of New York. Any water consumed in the Retail Unit, Fitness Facility Unit, and Garage Units will be separately sub-metered, and the charges for

such water and the corresponding sewer rents will be paid by the owners of such Units or their tenants. The charges for water and sewer service provided to the Residential Section will be levied on the basis of master city meter and borne by the Unit Owners as a Residential Common Expense. Water and sewer service provided to the General Common Areas will be allocated and borne by all of the Unit Owners as a General Common Expense.

4. Telephone: Telephone service will be provided by Verizon and/or other telecommunications companies. Each Tower Unit Owner will be required to pay any telephone charges associated with his or her Unit. Similarly, the charges with respect to the telephones in the Retail Unit, Fitness Facility Unit, and Garage Units will be separately paid by the owners of such Units or their tenants. The telephone charges with respect to the Residential Common areas of the Building (such as the concierge's desk and residential amenities) will be borne by all Unit Owners as a Residential Common Expense. The telephone charges with respect to General Common Areas will be borne by all Unit Owners as a General Common Expense.

5. Cable Television: Cable Television service will be provided by a local cable television company. Each Tower Unit Owner will have the option of obtaining cable television service from any television service provider who has been granted access to the building. Each Tower Unit Owner who desires to obtain such service or services will be required to pay the cable company or other television service for activating the wiring in his or her unit and for installing the appropriate receptacles. Thereafter, the Tower Unit Owner will be required to pay a monthly service charge to the cable company or other television service provider, which will vary depending upon the services subscribed to by the Tower Unit Owner.

6. Data Transmission: All Tower Units throughout the building have been pre-wired for high speed internet access. All charges with respect to providing this service will be paid separately by the Owners of such Tower Units.

E. Sub-soil Conditions:

1. All new concrete mat slabs/footings are waterproofed for sub - water table soil conditions.

2. The slabs on grade and perimeter foundation wall up to street level will be new construction made of poured-in-place reinforced concrete with waterproofing at the exterior side of all poured walls and on grade slabs.

3. The ground floor elevation is above the elevation of the 100-year flood. The building cellar is designed to resist the hydrostatic pressures of the 100-year flood.

HANDEL ARCHITECTS LLP
450 West 17th Street, New York, NY

Architects Report,
July 28, 2006
Description of Property and Proposed Building

F. Landscape & Enclosure:

1.	Grass cover	Floor 3 Courtyard: Gold Tufted Hairgrass; Floor 10 and 14: Karl Foerster Feather Reed Grass, Blue oat grass, Tufted Hairgrass, Little Bluestem
2.	Plantings	Floor 3 Courtyard: *Shrubs*: Espaliered Euonymous, Dwarf Schwoebel Japanese Holly, *Perennials:* Dwarf Variegated Fairy Bells, *Groundcovers*: Partridge Berry, Barrenwort, *Bulbs:* Narcissus Bravoure, Blue Star Anemone, Excelsior Spanish Bluebells; *Ferns:* Lady Fern, *Vines:* Boston Ivy, Climbing Hydrangea; Floor 10 and Floor 14 roof gardens: *Shrubs*: Dwarf Mugo Pine, *Perennials:* Baby Gold Tickseed, Sea Holly, Siberian Catmint, Rose Pink Fleece Flower, Lambs' ears, Yucca, Nodding Pink Onion, Smooth Aster, Pale Purple Coneflower, Lanceleaf Coreopsis, Shooting Star, Prairie Blazingstar, Wild Petunia, Prairie Dropseed, Ohio Spiderwort. *Vines:* Silver Fleece Vine, Boston Ivy, Hydrangea Vine. *Groundcovers:* Bearberry.
3.	Trees	Sidewalk: Willow Oak; Floor 3 Courtyard: Red Maple, European Hornbeam. Floor 10 and Floor 14 roof gardens: Russian Olive, Red Pine, Japanese Black Pine.
4.	Fencing	Floor 3 Courtyard: Privacy screening along north and south edges; Floor 10 and Floor 14 roof gardens: screening walls.
5.	Gates	None
6.	Garden Wall	Floor 3 Courtyard: Low masonry seating and screening walls.
7.	Retaining Wall	Floor 3 Courtyard: Low masonry seat walls (2' ht);

	Floor 10 and Floor 14 roof gardens: low concrete retaining walls (3'ht) .
8. Display Pools and Fountains	Lobby: Decorative fountains

G. Building Size:

1. The total height of the building is 250 feet measured from the average curb elevation of 10.03 feet to top of the main roof slab, elevation 260.03 feet

2. Crawl spaces: None

3. There is one cellar level (also known as the Lower Level)

4. There are 24 floors, one cellar and one mezzanine floor. There is no named 2nd or 13th floor for marketing purposes.

   The cellar shall contain a portion of the Fitness Facility Unit, portion of the Retail Unit, portion of the Garage Units, portion of the Rental Unit (Storage Bins, storage, etc), Residential Common Elements, and General Common Elements.

   The first floor shall contain a portion of the Retail Unit, portion of the Fitness Facility Unit, portion of the Garage Units, portion of the Rental Unit, a residential lobby, residential amenities, other Residential Common Elements and General Common Elements.

   Floors 3 through 9 shall contain Rental Apartments, Rental Common Elements and Residential Common Elements.

   Floor 3 shall also include a portion of the Fitness Facility Unit, the Resident's Fitness Lounge and certain Residential Common Elements such as the Children's Playroom, and Business Center

   Floor 10 shall include the Rental Party Room and Terrace

   Floors 10 through 26/PH shall predominantly contain Tower Units, Tower Common Elements and Residential Common Elements.

   Floor 14 shall include the Tower Entertainment Lounge, Sundeck and Outdoor Garden

5. Equipment Rooms: There is an elevator equipment room located on Floor 10, on the roof over Floor 10, on the roof over Floor 12, and at the roof over Floor 26/PH. There are two trash compactor rooms located on the Ground Floor at the West 17th Street side and at the West 16th Street side. There is a boiler room, a fuel tank room, a gas meter room, a water service/pump room, an electric room and a telephone switchgear room located in the Lower Level.

6. Parapet: Height from top of roof finish to top of parapet railing will be a minimum of 3'-6". Height from top of roof finish to top of the mechanical equipment enclosing screen walls will be 12'0" to 16'-0".

H. Structural System:

1. The foundation walls are reinforced concrete supported on a mat slab foundation system. The 24-story tower from foundation to the roof is reinforced concrete.

(i) Walls: The exterior walls will be masonry cavity walls consisting of exterior brick with concrete block; insulation with vapor barrier, metal studs and gypsum wallboard finish on the interior. A portion of the exterior wall will be aluminum and glass window wall and concrete block with metal panel. The window wall will be manufactured by Wausau, Fulton, Skyline or equal.

Using the "Energy Cost Budget Method" the exterior wall will be designed so that the entire building assembly meets or exceeds the performance requirements of the New York State Energy Code, 2002. The R value for the exterior wall through the wall section is 11.8 and through the window section is 4.5. The weighted average exterior wall R value is 7.5.

(ii) Windows: The windows will be aluminum hopper/awning, casement, and fixed type windows, with a ten-year warranty on materials from date of substantial completion and a ten-year warranty from date of substantial completion for the paint of the windows.

The windows will be manufactured by Wausau, Fulton, Skyline or equal. The glazing will be an insulated glass panel. The panel is composed of a clear ¼" glass (heat-strengthened and low E on second surface where required by code) on the exterior side, a ½" air-space, and a second clear ¼" glass on the interior side (heat-strengthened where required by code).

Where the glazing abuts a bathroom or bath tub, the glazing shall be composed of safety (tempered) glass where the heat-strengthened glass is indicated above.

All glazing will be sealed with perimeter elastomeric and rubber silicone sealant. Glazing gaskets shall be an extruded black heat cured rubber in accordance with ASTM standards or a neoprene gasket. There will be no screens.

The windows are engineered with operating arms and hardware to open to a fixed maximum opening of no more than 4"-4 ½" as measured from the inner point of finish.

There will be lot line windows located at Floors 3 through 12 along the eastern property line and on Floors 3 through 14 along the north western

property line abutting the existing 6 - story residential building on Lot 63. All lot line windows may be blocked from view and ventilation by new construction and shall be protected with sprinkler heads located directly over the window opening and glazed with tempered – safety glass.

The Tower Units in the building which will have lot line windows shall include the following:

a) Unit 1021
b) Unit 1022
c) Unit 1005
d) Unit 1006
e) Unit 1121
f) Unit 1122
g) Unit 1105
h) Unit 1106
i) Unit 1221
j) Unit 1222
k) Unit 1205
l) Unit 1206
m) Unit 1409

The project will be subject to NYC Local Law 10.

(iii) Landmark status: None

2. Parapets and Copings: The parapets will be masonry walls reinforced with vertical dowels embedded into the concrete slab with metal panel and brick cavity walls. The parapet coping shall be pre-cast stone and or metal.

3. Chimneys and Caps: There is a refractory lined boiler flue with steel jacket in accordance with the New York City Building Code manufactured by Van Packer Company or similar that terminates at the roof level. There are two (2) 16GA aluminized steel trash chutes, at least one located on each residential floor. One trash chute is located near the service elevator vestibule on the north side and one near the elevator core on the south side.

4. Terraces & Balconies:

There are thirteen (13) private terraces for the Rental Apartments on Floor 3, one (1) private terrace for a Rental Apartment on Floor 4, and one private terrace for a Rental Apartment on Floor 5. There are seven (7) private terraces for Tower Units at the building setback along West 17th Street, there is one (1) private terrace for a Tower Unit at the western most part of the roof of Floor 10 of the south wing of the building, there is one (1) private terrace for a Tower Unit on Floor 14 west roof and two (2) private terraces for Tower Units on Floor 14 east roof. There is one(1) private terrace for a Tower Unit on Floor 15 at the west roof over the mechanical bulkhead enclosure at Floor 14.

There are balconies for two Tower Units per floor on the south side of the north wing of the building from Floors 10 through 26/PH.

(i) The terraces will be finished with a combination of concrete pavers and/or ballast over roofing system with planted areas. The balconies will be finished with a water resistant non-slip elastomeric coating.

(ii) Balustrades: None.

(iii) Railings: terrace railings will consist of aluminum rails, posts and glass panels.

(iv) Copings: copings at the terraces shall be aluminum and or precast stone.

(v) Soffits: None

(vi) Doors to terraces and balconies: Doors will be extruded aluminum and glass swing doors

5. Exterior Entrances:

(i) Exterior Doors and Frames: The entrance on West 17th Street to the residential lobby will have two stainless steel and tempered glass swing doors with a lock located at the lower metal stile, and it will have one revolving door made of stainless steel and tempered glass. The entrance on West 16th street will have two pairs of sliding tempered glass and stainless steel doors. The sliding doors will be mechanically operated.

(ii) Vestibules, Doors and Frames: As described above in section pertinent to the West 16th Street entry.

(iii) Exterior Stairs: None other than as part of High Line Amenity to provide public access to the proposed High Line Park.

(iv) Railings: None.

(v) Mail Boxes: Located in the lobby mailroom at the Ground Floor and will be front-loading aluminum finished and U.S. Government approved.

(vi) Lighting Indoor: Direct recessed lighting, wall accent lighting, and indirect lighting will be utilized in the residential lobby.

6. Service Entrances:

(i) Doors and Frames: There is one service entry located on West 17th Street and one service entry located on West 16th Street. Each entrance will have painted hollow metal door and frame with lock controlled by the service concierge on West 17th Street and/or the office on West 16th street.

(ii) Gates: None.

(iii) Exterior Stairs: None.

(iv) Railings: None.

7. Roof and Roof Structure: Insulated roof membrane assembly (IRMA) comprising waterproof membrane below extruded polystyrene board insulation below protection fabric and gravel aggregate ballast or concrete paving units with a manufacturer's ten-year warranty. Planted roof areas will consist of a garden roof system.

(i) Type of Roof

a) Material: The roofing membrane will be rubberized monolithic roofing with fabric reinforcing at a rate of 215 mils average thickness with no point below 200 mils.

b) Insulation: Insulation shall be of extruded polystyrene board insulation Styrofoam PD brand as manufactured by Dow Chemical or similar. Using the "Energy Cost Budget Method" the roof will be designed so that the whole building assembly meets or exceeds the performance requirements of the New York State Energy Code, 2002. The R value of the roof is 19.

c) Surface Finish: The surface finish will be membrane, gravel ballast, landscape or concrete pavers.

d) Bond or Guarantee: The roofing systems shall have a ten-year manufacturer's guarantee.

e) Flashing material: There will be a metal cap and base flashing.

ii) Drains: Roof drains will be provided to drain the roof over Floor 26/PH, the courtyard on Floor 3, the residential terraces on Floors 3, 10 and 14, and all the elevator bulkhead roofs.

a) Material and type: Cast-iron drains

b) Gutters and Leaders: None.

iii) Skylights: There will be one skylight located in the courtyard of Floor 3. The skylight will made of painted aluminum with insulated and laminated glass. The skylight will not have any operable vents.

iv) Bulkheads:

a) Stairs: The stair enclosure will be a roof bulkhead which will consist of cavity wall: concrete block with metal panel or waterproof coating.

b) Elevators: The elevator bypass will be a roof bulkhead on the roof over Floor 26/PH, which will consist of concrete block with metal panel or waterproof coating.

c) Other: Mechanical equipment space within the roof bulkhead and Floor 14 bulkhead for mechanical equipment.

(v) Metal Work at Roof Levels:

a) Exterior, Metal Stairs: None

b) Vertical Ladders: There shall be a vertical access ladder leading to the elevator machine room on Floor 10, a vertical access ladder to the roof over the elevator machine room on Floor 10 and roof over Floor 26/PH. The vertical ladders will be made of either galvanized steel and/or painted steel.

c) Railings: Painted steel where required.

d) Hatches to Roof: Access hatches shall be provided from elevator machine room bulkhead to roof over machine room. Hatches shall be made of painted galvanized steel, be lockable from the inside only and shall be weather tight.

e) Other: None.

(vi) Roof Top Facilities

a) The roof over Floor 9 contains a roof terrace for use by residents of the Rental Unit and has approximately 4,000 square feet of wood decking and pavers. The area is fenced from the balance of the roof by a privacy fence in order to screen mechanical equipment. Access is gained to the roof via a stairway and the residential elevators R3 and R4. There is an adjacent party room for use by the Rental Unit residents.

b) The roof over Floor 12 contains a roof terrace for use by residents of the Tower Units and has approximately 3,000 square feet of wood decking and roof pavers. Access is gained to the roof via the residential corridor on Floor 14 and the residential elevators C1 and C2. There is an adjacent party room for use by Tower Unit residents.

8. Fire Escapes: None

9. Yards and Courts: On Floor 3, there is one central courtyard 209.53' feet long by 60.0' feet wide, which contains thirteen (13) private residential terraces for Rental Apartments on the north and south sides. The terraces are of varying sizes encroaching 10' into the courtyard from the courtyard building walls to the north and south. The remainder of the courtyard which is 38' feet wide by 209.53' long will be landscaped. General access for all Residential Permitted Users to the landscaped courtyard will be through the western side of the courtyard via a corridor extension off the main Floor 3 corridor. There will be no access to the landscaped courtyard from the private residential terraces. There will be two means of egress from the courtyard, one from the access corridor and the other through a stair located at the eastern end of the courtyard.

i. Paving: The private residential terraces will be paved as per paragraph 4, subsection i. The garden landscape roof will be as described in section 7 and will consist of landscaping as described in Section F.

ii. Drainage: The drainage will be as described in paragraph 7, subsection ii.

iii. Railings: none.

iv. Stairs: There is one egress stair located at the eastern end of the courtyard.

v. Fencing: There are low cmu walls with privacy fences separating the private residential terraces from the landscaped courtyard.

vi. Walls: There are low brick walls as described above in sub-section v.

10. Interior Stairs:

i. Number of Stairs: There are two exit stairs, which extend from the Ground Floor up to the roof bulkhead or the roof over Floor 26/PH. There are two exit stairs, which extend from the Ground Floor to the roof over Floor 9. There are two exit stairs which extend from the Ground Floor to the roof over Floor 12. There are two exit stairs, which extend from the Lower Level to the Ground Floor.

ii. Enclosure: Each stair will be enclosed with 2 hour rated drywall partition and or 2 hour concrete masonry unit. Each stair will be painted.

iii. Stair Construction: All the stairs will be concrete construction.

iv. Stringers: None.

v. Treads: Concrete.

vi. Risers: Concrete and/or sheet steel.

vii. Handrails: There shall be a steel pipe in each stair.

viii. Balustrade: Steel bars or pipe rail as required by code.

11. Interior Doors and Frames:

i. Tower Unit Entrances: The Tower Unit entrances will have hollow metal doors with hollow metal frames and will meet the requirements of the New York City Building Code. The interior doors of the Tower Units shall be solid core wood doors with hollow-metal frames.

ii. Corridor Doors and Frames: All doors and frames shall be hollow-metal and will meet the New York City Building Code requirements.

iii. Stair Doors and Frames: All doors and frames shall be hollow-metal and will meet the New York City Building Code requirements.

iv. Roof Doors, Basement Doors & Frames: These doors and frames shall be hollow-metal and will meet the New York City Building Code requirements.

12. Elevators:

i. There shall be six passenger elevators servicing the Tower Units and Rental Apartments and one service elevator. Two (2) passenger elevators will service the Tower Units from Floor 10 through 26/PH. Four (4) passenger elevators will service the Rental Apartments from Floor 3 through 9. One service elevator will service all floors from Floor 3 through 26/PH and one passenger elevator servicing the Rental Apartment floors from Floor 3 through 9 will also be used as a service elevator for the Rental Unit. There are three primary elevator cores servicing the Tower Units and Rental Apartments: one core of two passenger elevators servicing Rental Apartment residents from Floor 3 thru 9 on the north side of the building, one core of passenger and service/passenger elevators servicing Rental Apartment residents from Floor 3 through 9 and the roof over Floor 9, and one core of passenger elevators servicing Tower Unit residents from Floor 10 through 26/PH. In addition, there shall be one passenger elevator connecting the Resident's Fitness Lounge on Floor 3 with the Fitness Facility on the Lower Level, Ground Floor, and Floor 3.

ii. The elevators will be manufactured by the ThyssenKrupp elevator company or similar manufacturer. The elevators shall have a capacity as follows:

Non-Commercial:
Class A Passenger Elevators C-1 & C-2: 2,000 lbs. (8 persons each cab), 700 FPM.

Class A Passenger Elevators R-1, R-2 & R-3: 2,000 lbs. (8 persons each cab), 350 FPM.

Class A Passenger/Service Elevator R-4: 2,500 lbs. (10 persons each cab), 350 FPM.

Class A Service Elevator S-1: 3,500 lbs. (16 persons each cab), 350 FPM

Class A Passenger Elevator for the public High Line Amenity HL-1: 3,500 lbs. (16 persons each cab), 125 FPM

Class A Passenger Elevator for resident access to Fitness Facility CM-1: 3,500 lbs. (16 persons each cab), 125 FPM

Class A Public Passenger Elevator for Fitness Facility Unit CM-2: 3,500 lbs. (16 persons each cab), 125 FPM

iii. The type of operation will be as follows:
Class A Passenger Elevators C-1, C-2, R-1 thru R-4:, Duplex Selective Collective, Variable Voltage, Variable Frequency.

Class A Service Elevator S-1:, Simplex Selective Collective, Variable Voltage, Variable Frequency.

Class A Passenger Elevator HL-1: Simplex Selective Collective, Variable Voltage, Variable Frequency. (Independent Service)

Class A Passenger Elevator CM-1: Simplex Selective Collective, Variable Voltage, Variable Frequency. (Independent Service)

Class A Passenger Elevator CM-2: Simplex Selective Collective, Variable Voltage, Variable Frequency. (Independent Service)

iv. Type of Controls: The type of controls will be micro-processor-based AC variable voltage, variable frequency.

v. Floors Served:

Elevator Stops:
Class A Passenger
C-1 & C-2: Ground Floor, Floor 3, and Floors 10 thru 26/PH

Class A Passenger Elevator
R-1 thru R-2: Ground Floor through Floor 9.

Class A Passenger Elevator
R-3: Ground Floor through Floor 10 (Rental Party Room).

Class A Service / Passenger Elevator
R-4: Ground Floor through Floor 10 (Rental Party Room).

Class A Passenger Elevator
HL-1: Sidewalk on West 16th Street to public High Line access point (all within the High Line Amenity)

Class A Passenger Elevator
CM-1: Floor 3 Resident's Fitness Lounge to Fitness Facility (Lower Level to Floor 3)

Class A Passenger Elevator
CM-2: Lower Level to Floor 3 (all within the Fitness Facility Unit)

vi. Type:

The elevators will be as follows:
Class A Passenger
C-1, C-2, R1, & R2: Gearless traction type
R3, R4: Geared traction type.

Class A Service Elevator
S-1: Geared traction type

Class A Passenger Elevator
HL-1: Holeless Hydraulic

Class A Passenger Elevator
CM-1: Holeless Hydraulic

Class A Passenger Elevator
CM-2: Holeless Hydraulic

vii. Doors:

The elevator doors will be as follows:

Class A Passenger
C-1, C-2, R-1, R-2, & R-3: Side Opening Slide Doors

Class A Passenger
R-4: Front and Side Car - Side Opening Slide Doors

Class A Service Elevator
S-1: Side Opening Two Speed Slide Doors

Class A Passenger Elevator
HL-1: Side Opening Slide Doors

Class A Passenger Elevator
CM-1: Side Opening Slide Doors

Class A Passenger Elevator
CM-1: Side Opening Slide Doors

viii. The overhead elevator machine rooms will be located on the roof and on Floor 10.

ix. Drives: Solid-state AC Motor Drive.

x. AC motor generator set: None

13. Elevator Cabs (Non-Commercial):

i. Elevator cabs will be manufactured by ThyssenKrupp, H&B Elevators, Tyler or equal manufacturer.

ii. The floor material will be stone tile.

iii. The walls will be covered with wall covering, mirror and or ornamental metals or equal.

iv. The ceiling will be metal or similar.

v. The lighting of the cab will be fluorescent strip lighting or down lighting or equal.

I. Auxiliary Facilities:

1. Laundry rooms: None. Each Tower Unit will be equipped with a washer and dryer. The dryers shall be vent-less type. There will not be a common laundry room in the building.

1. Refuse Disposal

i. Incinerators: None.

ii. Compactors: There will be two compactors servicing the Tower Units and Rental Apartments, International Dynetics Corporation, model # IDC 2001 or similar. The capacity of each compactor unit shall be approximately 1,500 lbs. per hour, or 4 times the total amount of refuse usually generated by an 80 unit apartment building in one day.

iii. Approvals: None required.

iv. Initial Storage location: Refuse chutes for all Tower Units and Rental Apartments are located on the individual floors. Recyclable materials are stored in bins adjacent to the refuse chute. The compacted bags of refuse and recyclable material will be stored in the residential compactor rooms on the Ground Floor until they are transferred to the street.

v. Pick-up of refuse and recyclable material shall be by the NYC Department of Sanitation on their regular schedule.

J. Plumbing and Drainage:

1. Water and Supply:

A 6" domestic water service is provided from the City water main to a Triplex Water Pressure Booster System (3) 125 GPM Pumps. Water service piping is "CLASS 150" cast iron. The Triplex Water Pressure Booster System shall feed the water distribution via (2) two zones. One upfeed from Floor 3 through 14, and one upfeed from Floor 14 through 26/PH. Water distribution piping is "TYPE L" copper. Master pressure reducing station is provided for low distribution zone. Minimum pressure of 25 psi.

Cast iron roof and area drains will be provided for all roof areas which will discharge through internal cast iron leaders into building storm drains.

The piping system shall consist of Type L copper tubing with 95-5 tin-antimony soldered joints. All mains and risers are insulated.

2. Fire Protection System:

i. Standpipes:

(2) 6" fire standpipe risers & (3) 4" fire standpipe riser located in the fire stairs, with valved outlets on Floors 3-26/PH. Building is provided with 500 GPM automatic fire pump supplied by one (1) 6" street main service. The fire pump serves the fire standpipe system.

ii. Hose racks, hoses, and nozzles:

Hose racks are located on the Lower Level and Ground Floor. Locked fire hose cabinets are provided on the Ground Floor.

iii. Sprinkler System:

Sprinkler heads are provided throughout the building in the cellar, compactor room, refuse storage room, refuse chute vestibules, the garage space, on alternate floors in the refuse chute, residential corridors and all residential Apartments. Sprinklers are all supplied from 6" standpipe riser. Connections for future sprinkler piping in retail spaces are provided.

iv. Siamese Connections:

Four (4) 3" x 3" x 6" Siamese FD connections at West 16th Street (2) , West 17th Street (1), and 10th

	Avenue (1), are provided for standpipe and sprinkler.
3. Water storage tanks & enclosures:	None
4. Water Pressure:	Water pressure for the upper & lower zones is provided by the triplex water pressure booster system. Minimum pressure on upper zone is 25 psi. Water pressure for lower zone is maintained by master pressure reducing valves with minimum pressure, 25 psi at top of riser.
5. Sanitary Sewage System:	All sanitary drainage is connected to public street sewers. Duplex sewage ejectors are provided for sanitary fixtures below house sewer level.
i. Sewage Piping:	No hub cast iron piping for all waste and vent. Two (2) 8" sanitary house traps connected to city sewer at West 16th Street & West 17th Street.
ii. Sump Pumps:	Simplex sump pumps (one for each elevator pit) rated at 25 GPM @ 30 foot head and one (1) duplex sump pump at 100 GPM@ 35 foot head.
iii. Sewage Disposal:	Via four (4) 10" house sewers discharging into city sewers on West 16th Street and West 17th Street.
6. Permits required:	Approval shall be obtained from city for four (4) 10" combined sanitary/storm sewers; one (1) 6" domestic water and one (1) 6" fire pump water service.
7. Storm Drainage:	No-hub cast iron piping connected to house traps and discharging into city sewers on West 17th Street.
i. Catch Basins:	None.
ii. Roof and Terrace Drains:	Yard drains at bulkhead, roof terraces and courtyard are connected to leaders and the storm drainage system.
iii. Piping:	No-hub cast iron.
iv. Sump Pumps:	One (1) duplex sump pump at 100 gpm @ 35 foot head and one (1) duplex sewage ejector at 150 gpm @ 35 foot head for storm water & area

drainage below sewer level. Sewage ejector drains at Lower Level are required since the Lower Level is below the grade of the house sewer line to the street.

K. Heating:

1. Domestic Hot Water: Domestic hot water will be provided by steam domestic hot water storage heaters. There are two Aerco Heaters provided for each upper and lower zone for domestic hot water.

2. Number of boilers: Steam is generated for space heating in two (2) Cleaver-Brooks CB-400 (400 HP/13,390 MBH) Scotch Marine Boilers with Forced Draft Air Atomizing Burners and distributed to heating system control valve and hot water heaters.

The heaters are sized so that one heater can handle 70% of required zone load. Heating system is two pipe vacuum steam with distribution to room combination heating and air conditioning units with steam control valve on each unit. A few select locations are provided with individual electric heaters (certain bathrooms and kitchen).

The heating system is designed to meet the New York State Energy Code. When outside temperature is 13 degrees FDB, inside temperature will be maintained at 70 degrees FDB. Boilers are equipped with all operating and safety controls required by New York City Building Code and Department of Air Pollution.

3. Boiler Manufacturer: Two (2) scotch marine boilers provided are by Cleaver-Brooks model # CB-400.

4. Burner Manufacturer: Cleaver Brooks.

5. Type of Control: Boilers will be controlled by maintaining operating pressure at 6 – 10 psi.

6. Piping, Insulation: Steam and return piping is Schedule 40 steel both welded and screwed with 125 lb. fittings.

7. Fuel: Boilers will be supplied with duel fuel natural gas and one oil tank.

8. Location of oil tank, materials, The oil tank will be located in the basement

and enclosure:	and enclosed in a two hour fire rated enclosure. The oil tank is made of steel.
9. Capacity of oil tank:	The capacity of the oil tank will be a minimum of 15,000 gallons.
10. Supplemental Heating:	Electric heaters are provided in the exterior bathrooms and kitchens. Exterior kitchens are provided with the heater EH-2 Broan #114, 120 volt, 750 Watt or equal and exterior bathrooms are provided with Broan EH-1, 120 volt, 750 watt or equal.

L. Gas Supply:

1. Type:	Natural gas provided by local utility company (Con Ed) for cooking, heating and rooftop HVAC equipment.
2. Meters:	The gas for space heating will be provided by the utility company. Residential Common meter(s) shall be provided for the gas cooking ranges in Tower Units and Rental Apartments. Meter(s) when provided for commercial tenant(s) will be provided for direct metering by the utility company.
3. Piping Material:	Black steel Schedule 40 pipe with malleable fittings for low pressure piping 4 inch and smaller and welded joints for low pressure piping over 4 inches. High-pressure piping upstream of pressure regulators to be welded and radiologically examined.

M. Air Conditioning:

1. Type of System:	All individual Tower Units and Rental Apartments are air conditioned via individual incremental heating and air conditioning units. New York State Energy Code is basis of calculations. (Cooling: 78 degrees FDB/50% relative humidity inside and 89 degrees FDB/73 degrees FWB outside. Heating: Based 15 degrees outside and 70 degrees inside). This system is designed to provide adequate cooling to maintain comfortable conditions.
2. Central System:	Separate heating and air conditioning units, both water and air cooled, are provided for corridors, lobby and special areas. Water cooled units are served by roof cooling tower. Corridor units are roof top air cooled.

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450 West 17th Street, New York, NY

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3. Cooling Towers, condensers:

The two cell 1000GPM cooling tower, Evapco AT-29-321 or similar, is provided with plate frame heat exchanger and condenser water pumps for public area residential AC units, residential amenity areas, and retail areas.

4. Individual units:

Air conditioning units are manufactured by McQuay Inc. or equal. There are four unit types "A - D". The unit type, model No. and capacity are as follows: **A** – PDNS-9 - 9700 btuh, **B** – PDNS-12 – 12,000 btuh, **C** – PDNS-15 – 15,000 btuh, **D** – PDNS-16 – 16,000 btuh.

Retail space will be provided with steam (with metered condensate) to feed steam coils of future air conditioning units. Air conditioning will be provided by water cooled units utilizing the cooling tower.

Cooling and heating of corridor air will be provided by heating and air conditioning units located at the roof over Floor 9, the roof over Floor 12 and the roof over Floor 26/PH. Units located in mechanical bulkhead rooms shall be equipped with steam coils and exterior roof top units will be gas fired.

N. Ventilation:

Via central systems, vertical risers with roof mounted fans for interior kitchens, and baths. Corridors are provided with pressurized cooling/heating utilizing 100% fresh air. Fresh air is provided through incremental HVAC units in Tower Units and Rental Apartments and by open window ventilation.

Interior residential kitchens will be ventilated with an exhaust ventilation system exhausting 120 cubic feet of air per minute.

Interior residential bathrooms will be ventilated with an exhaust ventilation system exhausting 50 cubic feet of air per minute.

Interior non-residential bathrooms will be ventilated with an exhaust ventilation system exhausting 2 cubic feet of air per minute per square foot of bathroom.

Staff locker rooms and management offices and spaces will be ventilated with exhaust ventilation capable of exhausting air at a rate of six air changes per hour.

For interior corridors provided with heating and air conditioned supply air in accordance with code requirements.

Gas meter room will be vented to the outside.

The garage will be vented with fresh air from both West 17th Street and West 16th Street and exhausted through the central courtyard on Floor 3 via a concealed exhaust grill in the center of the landscaped courtyard.

O. Electrical Systems:

1) Electric service will be provided by Con Ed at 120/208 volts, 3 phase, 4 wire to an electric switchboard room and distributed through various size service switches for the Retail Unit, Fitness Facility Unit, the Garage Units and the Residential Section of the building as well as the automatic fire pump and to other parts of the building.

2) Electric service will be provided to the Tower Units and Rental Apartments from distribution closets located on every third floor of the building or as indicated on plans. Individual feeders, which will vary in size will be run to each Tower Unit or Rental Apartment. Metering will be provided by Con Ed to each Tower Unit and Rental Apartment. The Garage Units, Retail Unit, and Fitness Facility Unit will each be separately metered for the electric service. There will be common metering for the Residential Common and General Common Areas of the building.

3) Compartment switchgear will be located at the Lower Level.

4) Circuits will be provided in each Tower Unit with the capacity to handle all anticipated loads within the Tower Unit.

5) Adequacy:

i) Unit services including switching and fusing shall be adequate for modern day appliances, lighting, convenience outlets, washers, dryers and incremental units.

ii) Each Tower Unit shall have a 120/208 electric service panel with 60-150 amp service and 8-18 circuits.

iii) Switched incandescent and fluorescent lighting fixtures will be provided in all bathrooms, walk-in closets, foyers and kitchens. Switched receptacles will be provided in living rooms and bedrooms. Ground fault receptacles will be provided in powder rooms, bathrooms and kitchens. The incremental units in each Tower Unit will be wired directly to the Tower Unit's electric panel. Tower Units

with terraces will be provided with an exterior light fixture(s) and GFI waterproofed electrical receptacles.

P. Intercommunication and/or door signal systems, security closed circuit TV:

Telephone service will enter the building from West 17th Street, West 16th Street and/or 10th Avenue and be fed to a main telephone room located on the Lower Level and then distributed through conduits to all areas of the building, including the communications closets servicing the Residential Section of the Building, which will generally be located on every third floor. Each Tower Unit will receive telephone service wires running between a closet in the Unit and the communications closet servicing such Unit.

Closed circuit television cameras will be provided in selective locations at main building lobby, at selected entrance corridors to the elevators, at the service lobby and at entrance doors to the garage space, with viewing monitors at the concierge's desk. The cameras will be designated to cover the immediate area within the view of the cameras, and will not necessarily cover all of the areas involved.

Q. Public Area Lighting:

Lighting shall be furnished to the public areas of the building through fluorescent and/or incandescent fixtures.

R. Garage:

1) The parking areas of the Garage Units (collectively the "Garage") located on three levels: the Lower Level, the Ground Floor and the Mezzanine. It is anticipated that the garage will have a total of 210 parking spaces (101 spaces are as-of-right, and Developer has applied for a special permit to increase the number of spaces to approximately 210 spaces).

2) The primary surface of the parking areas is a screed finish topping concrete. Lighting is primarily a fluorescent and incandescent lighting. There are curbs at all walkways leading to entrances and egress stairs.

3) The Garage is contained within the building's structural concrete floor and column frame and enclosed by filled concrete block.

4) The ventilation to the Garage is described in section N.

5) The Garage is fully sprinklered.

6) There will be drains located on the Ground Floor only for residual water infiltration from the side entry ways.

S. Swimming Pools: None

T. Tennis Courts, playgrounds and recreation facilities:

1) Tennis courts: None

2) Playgrounds: None

3) There will be a children's room located on the Floor 3 containing seating and toys.

4) There will be a Pet Spa facility located on the Ground Floor containing grooming and pet care facilities.

U. Permits and facilities:

A NYC Department of building permit is required for general building, superstructure and foundation. A special permit is required for the use of an accessory garage facility as described above. There will be two trash compactors located on the Ground Floor (International Dynetics corporation Model #IDC 2001), two Cleaver – Brooks boilers, one minimum 15,000 gallon oil storage tank, six passenger elevators and one service elevator servicing the building, one passenger elevator connecting the Resident's Fitness Lounge to the Fitness Facility, one elevator within the Fitness Facility Unit, and one hydraulic elevator servicing the High Line Amenity on West 16th Street, and no incinerators. A regular inspection by the Department of Buildings will be required for all elevators on the premises.

V. Violations: None

W. Apartment Information:

There are 190 residential condominium apartments (Tower Units) and 288 Rental Apartments (all 288 are within the Rental Unit). The following is a description of the Tower Units only. See Attachment III for all unit plans, designations and sizes.

Each Tower Unit will consist of the area measured horizontally from the exterior side of the exterior wall and or window system (columns, mechanical pipe shafts, shaft ways, chases, chase ways and conduits are not deducted) to the centerline of the partition separating one Tower Unit from another Tower Unit, or the centerline of a shear-wall separating one Tower Unit from another Tower Unit to the corridor face of public corridors, to the centerline of walls of stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Tower Unit or to the exterior side of the opposite exterior wall. Each Tower Unit will consist of the area measured vertically from the top of the concrete floor to the underside of the ceiling.

All dimensions on the unit plans/attachments are approximate and subject to normal construction variances and tolerances.

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All kitchens and bathrooms are adaptable in accordance with Local Law 58 through appropriate enhancements of the substructure and/or walls.

1. Unit Descriptions:

Floor 10 Unit Descriptions

"01" line	**Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer, Terrace.**
"02" line	**(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer, Terrace.**
"03" line	**(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Den/Alcove, Foyer, (2) Full Baths, Washer/Dryer, Terrace.**
"04" line	**(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer, Terrace.**
"05" line	**(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer, Terrace.**
"06" line	**(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2.**
"07" line	**(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2, Balcony.**
"08" line	**(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Den/Alcove Foyer, (2) Full Baths, Washer/Dryer, Balcony.**
"09" line	**Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.**
"10" line	**(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.**
"11" line	**(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.**
"12" line	**Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.**
"14" line	**Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.**
"15" line	**(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.**
"16" line	**Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.**
"17" line	**(3) Bedrooms with Kitchen, Living/Dining Area, Foyer, (3) Full Baths, Washer/Dryer, Bedroom 1, Bedroom 2 and Bedroom 3/Den, Terrace.**
"18" line	**(1) Bedroom with Kitchen, Living/Dining Area, Den/Alcove, Bedroom, Foyer, (2) Full Baths, Washer/Dryer.**
"19" line	**(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.**
"20" line	**(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2.**
"21" line	**Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.**

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"22" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer, Terrace.
"23" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer, Terrace.

Floors 11 & 12 Unit Descriptions

"01" line	Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.
"02" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"03" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, (2) Full Baths, Washer/Dryer.
"04" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"05" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"06" line	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2.
"07" line	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2, Balcony.
"08" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Den/Alcove, (2) Full Baths, Washer/Dryer, Balcony.
"09" line	Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.
"10" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"11" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"12" line	Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.
"14" line	Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.
"15" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"16" line	Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.
"17" line	(3) Bedrooms with Kitchen, Living/Dining Area, Foyer, (3) Full Baths, Washer/Dryer, Bedroom 1, Bedroom 2 and Bedroom 3/Den .
"18" line	(1) Bedroom with Kitchen, Living/Dining Area, Den/Alcove, Bedroom, Foyer, (2) Full Baths, Washer/Dryer.
"19" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"20" line	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2.
"21" line	Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.

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"22" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"23" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.

Note: There is no 13th Floor for marketing purposes.

Floor 14 Unit Descriptions

"01"	Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.
"02"	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"03"	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2, Terrace.
"04"	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2, Terrace, Balcony.
"05"	(1) Bedroom with Kitchen, Living/Dining Area, Den/Alcove, Bedroom, Foyer, (2) Full Baths, Washer/Dryer, Balcony.
"06"	Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.
"07"	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"08"	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"09"	(1) Bedroom with Kitchen, Living/Dining Area, Den/Alcove, Bedroom, Foyer, Bath, Washer/Dryer, Terrace.
"10"	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.

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Floors 15-20 Unit Descriptions

"01" line	Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.
"02" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"03" line	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2.
"04" line	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2, Balcony.
"05" line	(1) Bedroom with Kitchen, Living/Dining Area, Den/Alcove, Bedroom, Foyer, (2) Full Baths, Washer/Dryer, Balcony.
"06" line	Studio with Kitchen, Living/Dining Area, Sleeping Alcove, Bath and Washer/Dryer.
"07" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"08" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Stacked Washer/Dryer.
"09" line	(3) Bedrooms with Kitchen, Living/Dining Area, Foyer, (3) Full Baths, Washer/Dryer, Bedroom 1, Bedroom 2 and Bedroom 3/Den, (Floor 15 only: Terrace).
"10" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"11" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.

Floors 21-26/PH Floor Unit Descriptions

"01" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"02" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer.
"03" line	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2.
"04" line	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2, Balcony.
"05" line	(1) Bedroom with Kitchen, Living/Dining Area, Bedroom, Foyer, Bath, Washer/Dryer, Balcony.
"06" line	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2.
"07" line	(3) Bedrooms with Kitchen, Living Room, Dining Area, Foyer, (3) Full Baths, Washer/Dryer, Bedroom 1, Bedroom 2 and Bedroom 3/Den.
"08" line	(2) Bedrooms with Kitchen, Living/Dining Area, Foyer, (2) Full Baths, Washer/Dryer, Bedroom 1 and Bedroom 2.

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2. Interior Walls:

   A. Apt. to Apt.: 5" nominal wall with 2 ½" studs and 2" thermafiber sound attenuation blankets and (2) sheets of 5/8" firecode wallboard on one side and (2) sheet of 5/8" firecode wallboard on the opposite side.

   B. Apt. to corridor: 5" nominal wall with 2 ½" studs and 2" thermafiber sound attenuation blankets and (2) sheets of 5/8" firecode wallboard on one side and (2) sheet of 5/8" firecode wallboard on the opposite side.

   C. Within Apt. 4" nominal wall with 2 ½" studs and 5/8" gypsum wallboard on each side.

3. Typical Tower Unit interior finishes in living areas:

   A. Living Areas:

Walls:	Painted white
Base:	Painted wood
Ceiling:	Painted white
Flooring:	Engineered wood strip flooring
Doors:	Painted white
Closets:	Painted white

4. Bathrooms:
   A. Master Bathroom:

      i. Finishes:
      1. Walls:
         i. Painted gypsum board.
         ii. Full height quartz structure tiles or equal at walls in showers and tubs.
         iii. Translucent glass panel wall at tubs as indicated on plans.
      2. Base: Stone tile, Quartz structure tile, or equal.
      3. Floor: Stone tile, Quartz structure tile, or equal.
      4. Shower floor: Quartz structure tiles or equal.
      5. Shower doors: Glass and aluminum.
      6. Vanity base: Alder veneer with teak finish or equal.
      7. Vanity countertop: Quartz structure slab or equal.
      8. Vanity sink: Over-mount Corian vessel trough or equal.

ii. Fixtures and Fittings:
1. Lavatory faucet: Custom or equal.
2. Shower faucet: Custom or equal.
3. Medicine cabinet: Custom or equal with built in light fixture.
4. Towel Bar: Custom or equal.
5. Tub: Kohler 6' "Tea for Two" K-855 or equal.
6. Tub faucet & control: Custom or equal.
7. Water closet: Toto Carolina or equal.
8. Light fixtures : Down lights and custom medicine cabinet lighting.

B. Secondary Bathrooms:

i. Finishes:
1. Walls:
   i. Painted gypsum board.
   ii. Full height quartz tiles or equal at walls in tubs.
2. Base: Stone tile, Quartz structure tile, or equal.
3. Floor: Stone tile, Quartz structure tile, or equal.
4. Vanity base: Alder veneer with teak finish or equal.
5. Vanity countertop: Quartz slab or equal.
6. Vanity sink: Over-mount Corian vessel sink or equal.

ii. Fixtures and Fittings:
1. Lavatory faucet: Custom or equal.
2. Medicine cabinet: Custom or equal with built in light fixture.
3. Towel bar: Custom or equal.
4. Tub: Kohler 5' and 5'-6""Dynametric" K-515 or equal.
5. Tub faucet & control: Custom or equal.
6. Water closet: Toto Carolina or equal.
7. Light fixtures : Custom medicine cabinet lighting or equal.

C. Powder rooms:
i. Finishes:
1. Walls: Painted gypsum board.
2. Base: Porcelan tile or equal.
3. Floor: Porcelan tile or equal.
4. Vanity base: Alder veneer with teak finish or equal.
5. Vanity countertop: Quartz structure slab or equal.
6. Vanity sink: Over-mount Corian vessel sink or equal.

ii. Fixtures and Fittings:
1. Lavatory faucet: Custom or equal.
2. Towel bar: Custom or equal.

3. Water closet: Toto Carolina or equal.
4. Light fixtures : Mirro with custom lighting or equal.

5. Kitchen and laundry equipment:

A. Refrigerator:	-Subzero,700TCI, with cabinet front or equal
B. Stovetop:	-Wolf, CT30 G/S or equal
C. Oven:	-Viking VES0107C or equal
D. Dishwasher:	-Miele, G000 or equal with stainless steel
E. Microwave:	-KitchenAid, KHMS 155LSS stainless steel, Panasonic NN-6354MF stainless steel, or equal
F. Washer:	- Meile #W1113 Washer or equal
G. Dryer:	- Meile #W1322C Ventless Dryer or equal
H. Sink	-Elkay #ELU211510 18-Gauge stainless steel or equal undermount.
I. Countertop:	- Quartz structure slabs or equal.
J. Millwork:	-Custom wood cabinets to be Bamboo veneer or equal with brushed stainless steel pulls or equal.
K. Backsplash;	-Stainless Steel, metal laminate or equal
L. Ceiling Lighting:	-Surface mounted fixture.
M. Under Cabinet:	-Strip lighting.
N. Recirculating Hood:	-Faber Stilo Isola or equal.
O. Flooring:	-Pre-engineered wood floors
P. Base:	-Paint grade wood.

X. Finishes of Other Spaces

1. Lobby:

A. Walls:	Gypsum wallboard, Stone, ornamental metals, wood veneer panels and resin composite panels.
B. Floors:	Stone

C. Base:	Stone
D. Ceiling:	Painted gypsum wallboard

2. Residential Corridor:

A. Walls:	Vinyl wall covering
B. Floors:	Carpet
C. Ceiling:	Painted gypsum wallboard.
D. Base:	Carpet

3. Elevator lobbies:

A. Walls:	Stone, gypsum wallboard, wallcovering and wood veneer panels.
B. Flooring:	Stone (Ground Floor), carpet
C. Ceiling:	Painted gypsum wallboard
D. Base:	Stone (Ground Floor), carpet

4. Package room:

A. Walls:	Painted
B. Floors:	VCT
C. Ceilings:	Acoustic ceiling tile
D. Base:	4" vinyl base.

5. Resident Manager's office and workroom:

A. Walls:	Painted.
B. Floors:	VCT
C. Ceilings:	Acoustic ceiling tile
D. Base:	4" vinyl base.

6. Locker room:

A. Walls:	Painted gypsum wallboard.
B. Floors:	VCT
C. Ceilings:	Acoustic ceiling tile
D. Base:	4" vinyl base.

7. Storage room:

A. Walls:	Painted concrete block.
B. Floors:	VCT
C. Ceilings:	Acoustic ceiling tile
D. Base:	4" vinyl base.

8. Garage Units:

A. Walls:	Painted.
B. Floors:	Painted concrete with traffic topping on ramps only.

9. Retail Unit:

A. Walls:	Painted.
B. Floors:	Exposed concrete

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ABBREVIATIONS FOR FINISHES

AT	ACOUSTICAL TILE
CT	CERAMIC TILE
CPT	CARPET
CONC	CONCRETE
DP	DUSTPROOFING AND HARDENER
DE	DECK ENAMEL
GT	GRANITE TILE
GWB	GYPSUM WALLBOARD
HC	HUNG CEILING
LWP	LIQUID WATERPROOFING
MT	MARBLE TILE
MP	METAL PAN
P	PAINT
QT	QUARRY TILE
SP	SPRAY PAINT
ST	STONE
V	VINYL
VCT	VINYL COMPOSITION TILE
VWC	VINYL WALL COVERING
WB	GYPSUM WALL BOARD
WRWB	WATER RESISTANT GYPSUM WALLBOARD
WD	WOOD

Y. Safety and warning devices:

1. Each Tower Unit will contain a combination smoke and carbon monoxide detector located in the vicinity of each bedroom. The detector is wired to a 120-volt local power supply and is self-contained with its own sounding device. There will be smoke detectors located at the main lobby elevator halls as well as emergency lighting at all common corridors and lobbies leading the egress stairs. All egress stairs will be furnished with emergency lighting.
2. Fire and smoke strobes as required by code.
3. Fire command station as required by local law.
4. Security systems as required by management.

Z. Additional information required:

1. See Attachment I and II for site plans and building plans.

2. See Attachment I for overall site plan.

3. See Attachment III for all Tower Unit plans.

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4. Except in certain areas with dropped ceilings for mechanical equipment, the floor-to-ceiling heights of the Tower Units measured from the concrete floor slab are as follows:

   Floors, 10-11, 14-19, and 21-25: 9'-4" in living spaces, 8'-0" in kitchens, baths and corridors.
   Floor 12: 10'8 - 11'0" in living spaces, 8'-0" in kitchens, baths & corridors.
   Floor 20: 11'-0" in living spaces, 8'-0" in kitchens, baths & corridors.
   Floor 26/PH: 11'-3 ½" in living spaces, 8'-0" in kitchens, baths and corridors.

5. See Attachment III for total area of each unit.

6. See Attachment III for each unit relationship to each other.

Sworn to before me this
3 day of August, 2006

Handel Architects LLP

DIN E. TOLBERT
NOTARY PUBLIC-STATE OF NEW YORK
No. 01TO6144443
Qualified in Queens County
My Commission Expires April 24, 2010

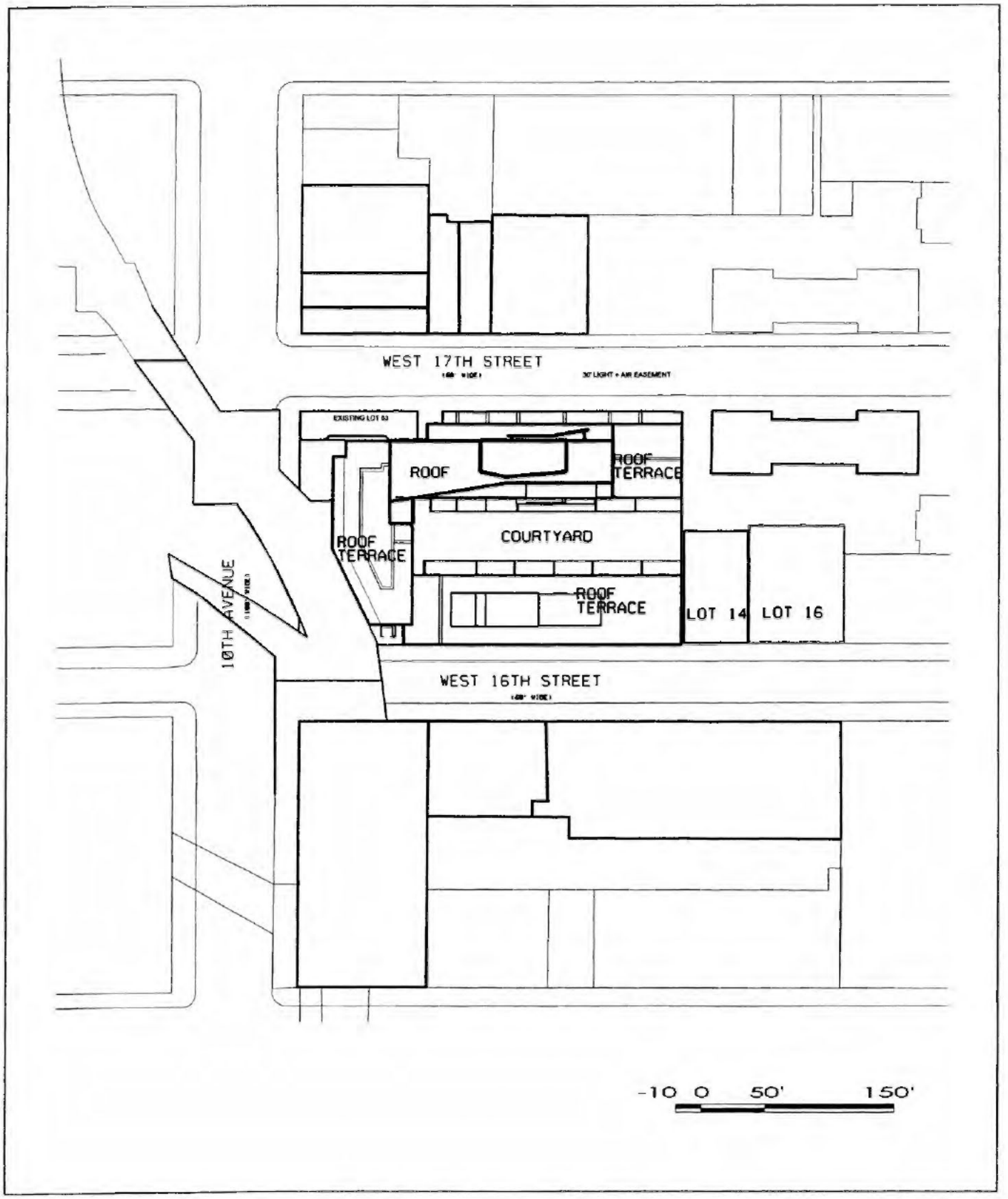
Notary Public

Stamp

ATTACHMENT I

SITE PLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

New York, New York
July 28, 2006

SITE PLAN

52,875 SQ. FT.

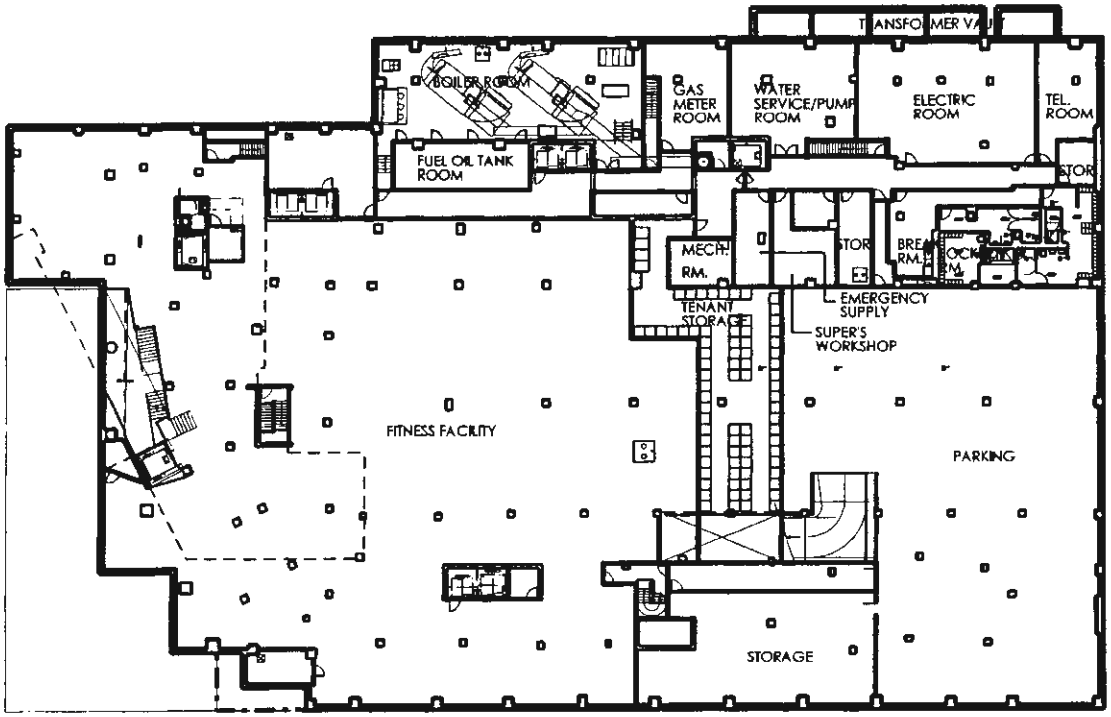
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ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

ATTACHMENT II

OVERALL BUILDING PLANS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

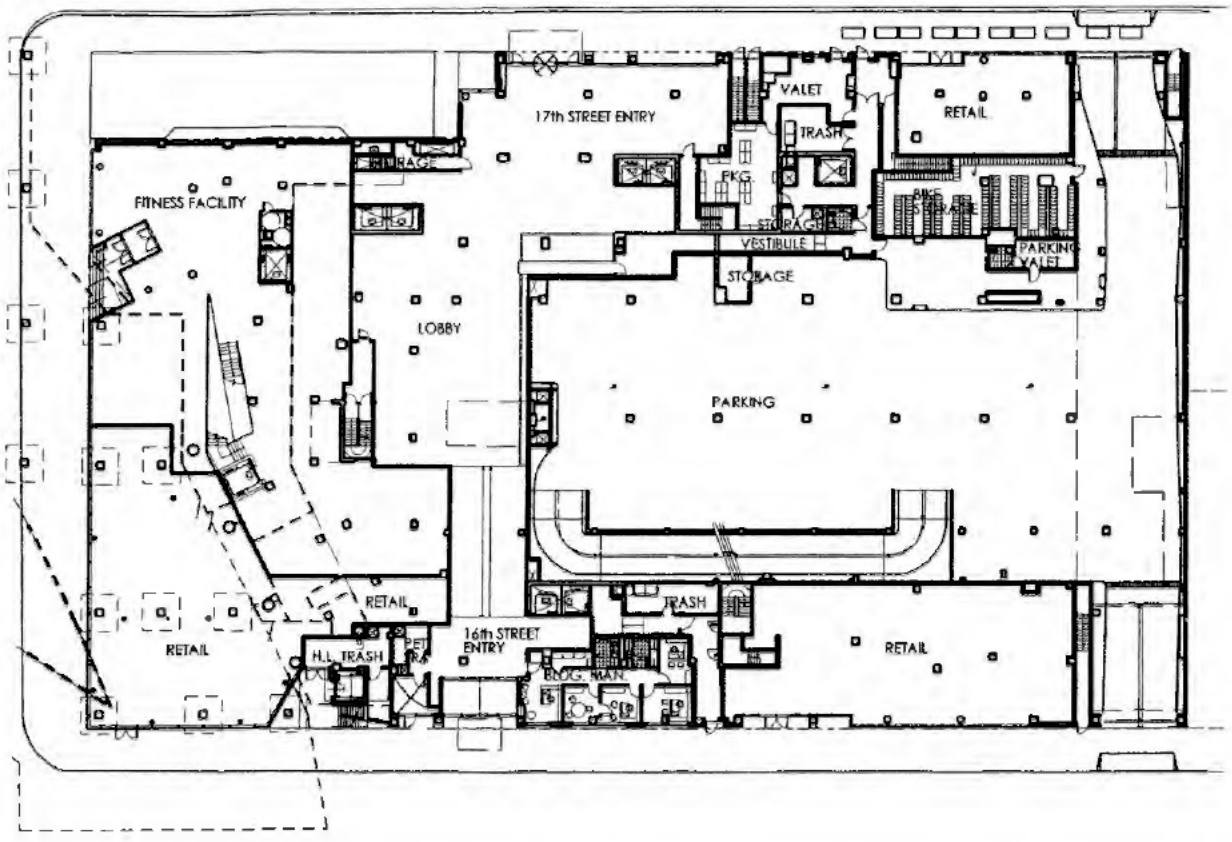
New York, New York
July 28, 2006

CELLAR PLAN

49,349 SQ. FT.

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ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

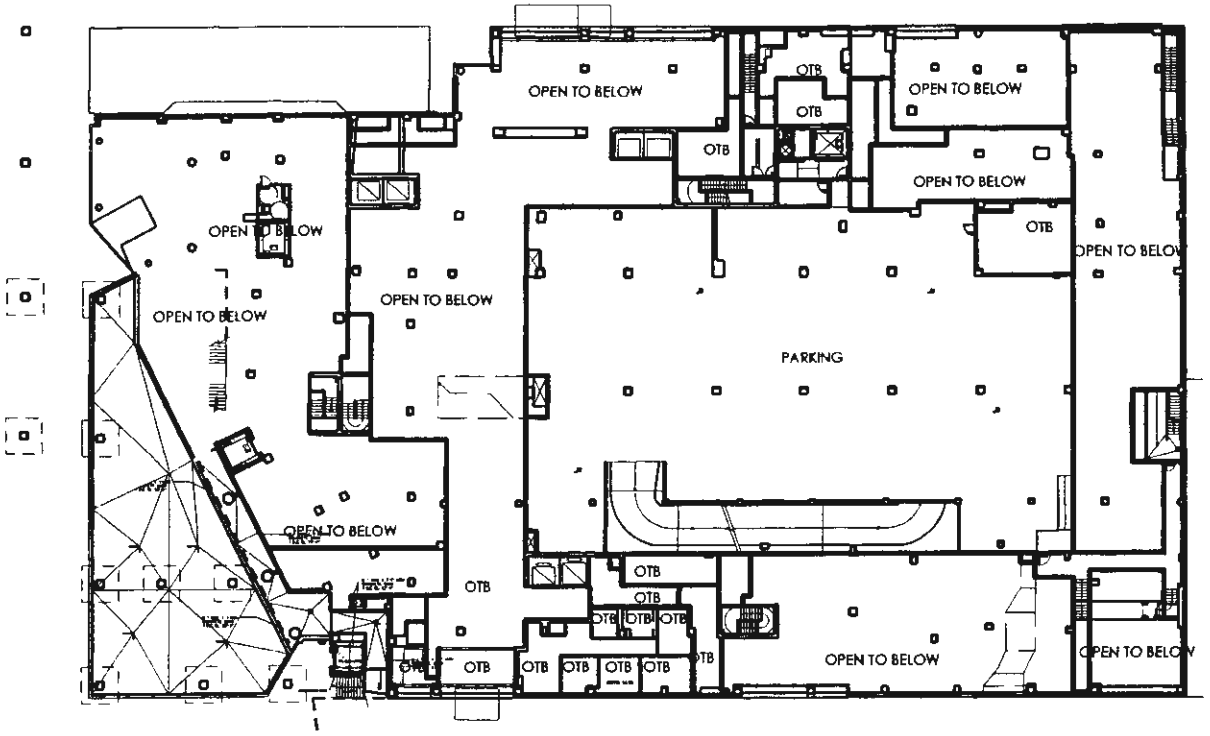
New York, New York
July 28, 2006

GROUND FLOOR PLAN

47,977 SQ. FT.

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

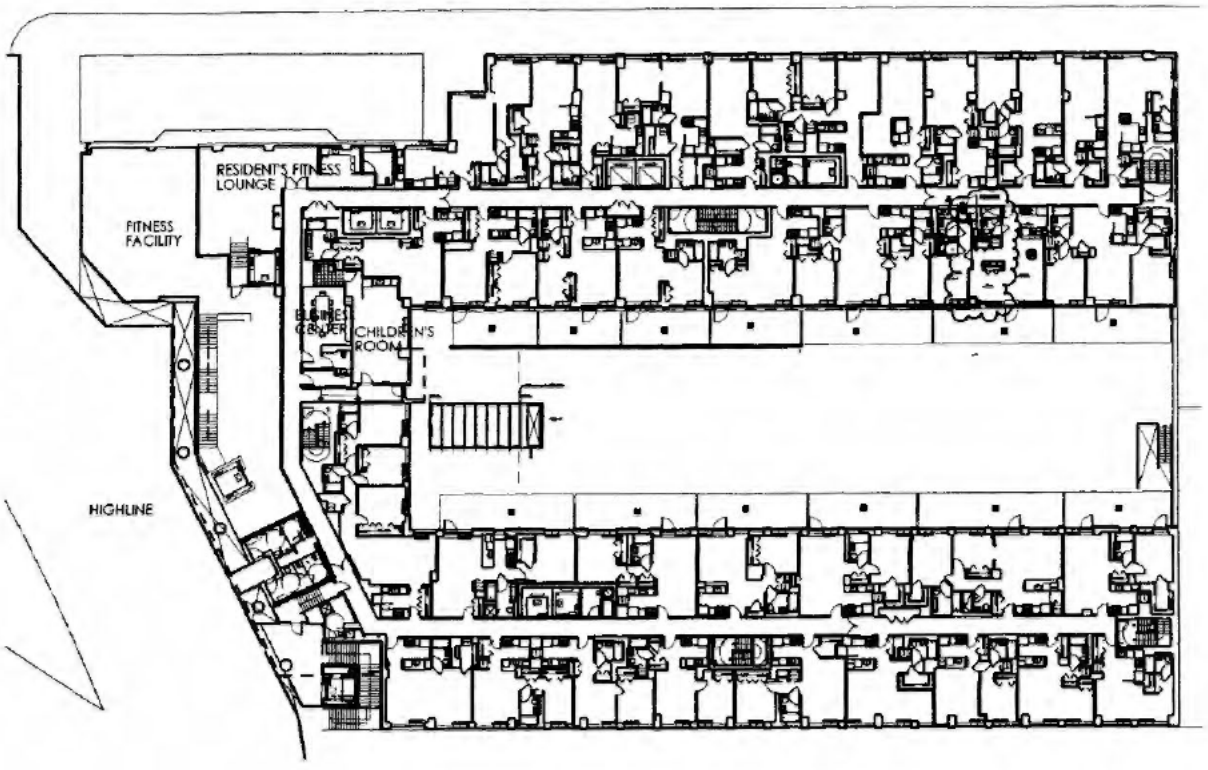
New York, New York
July 28, 2006

MEZZANINE

16,622 SQ. FT.

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ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

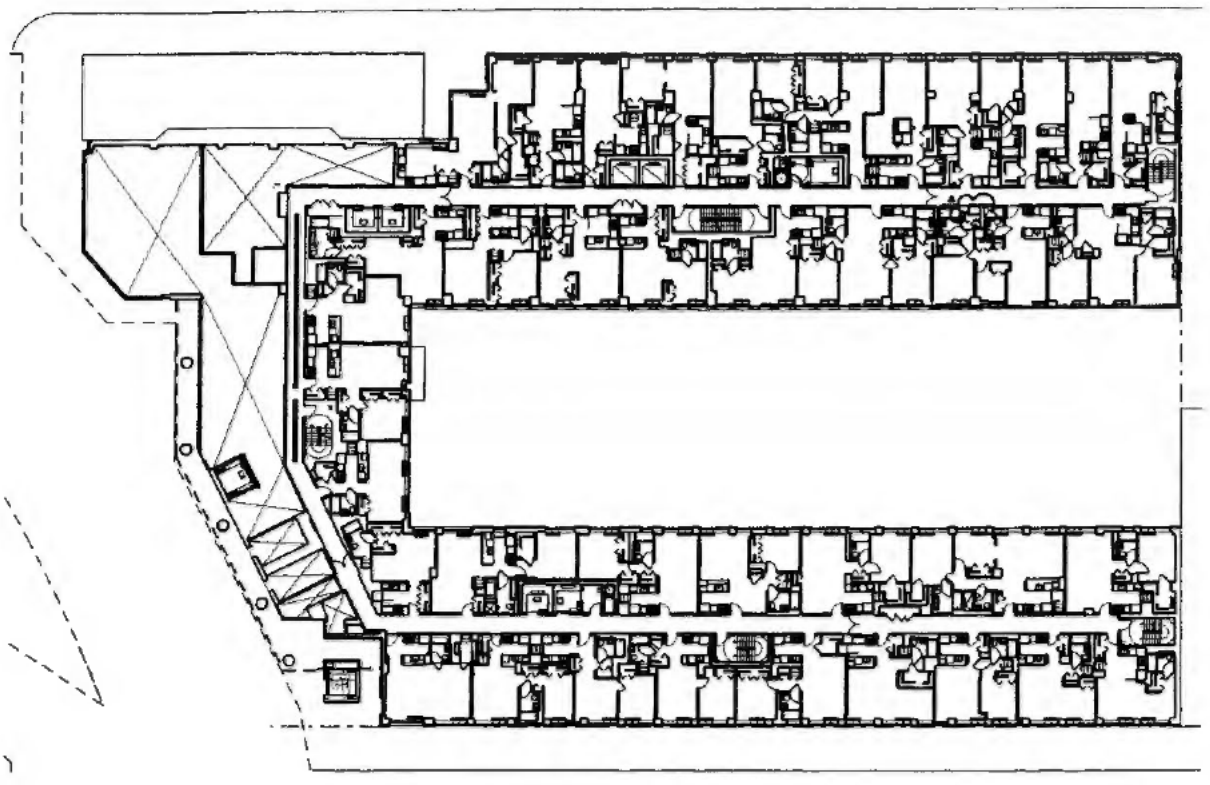
New York, New York
July 28, 2006

3RD FLOOR PLAN

34,253 SQ. FT.

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

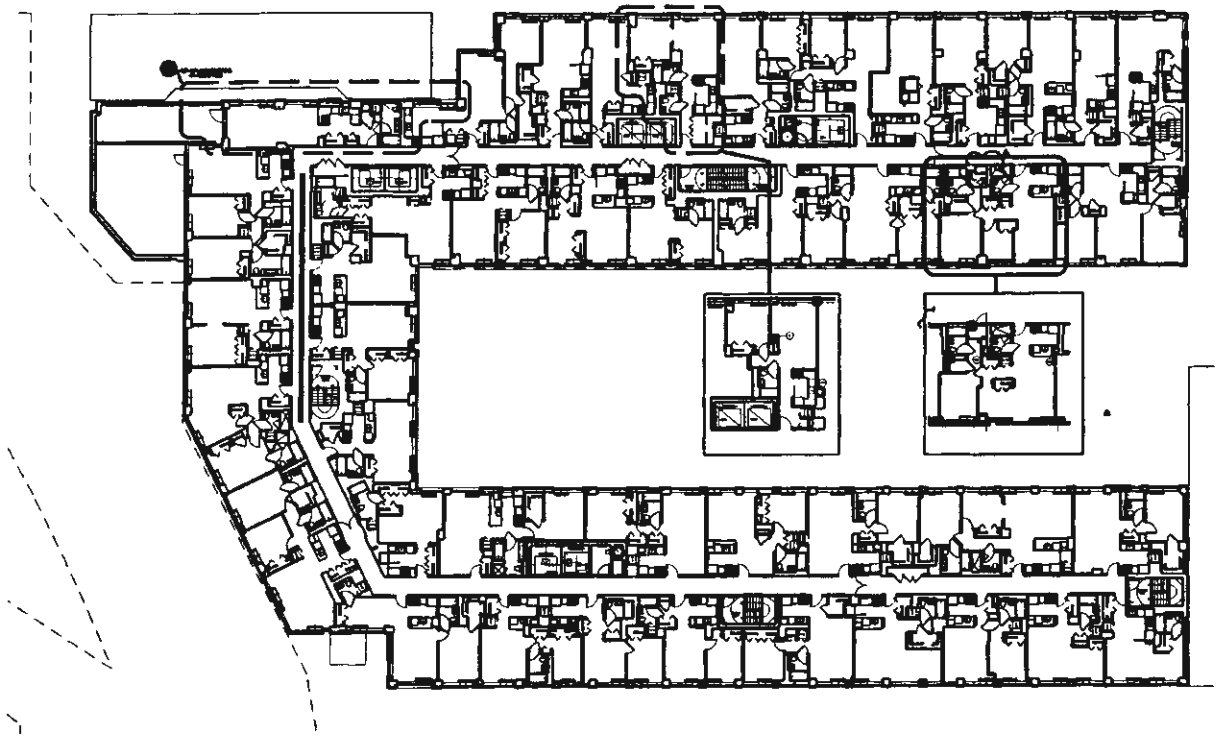
New York, New York
July 28, 2006

4TH FLOOR PLAN

29,534 SQ. FT.

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

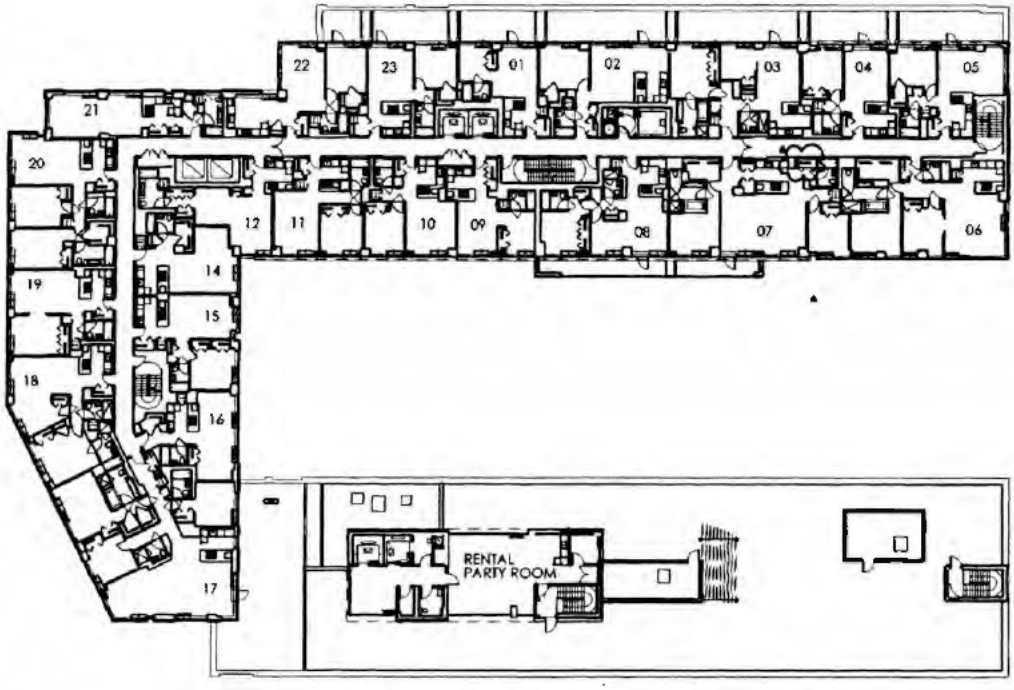
New York, New York
July 28, 2006

5TH-9TH FLOOR PLAN

33,957 SQ. FT.

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

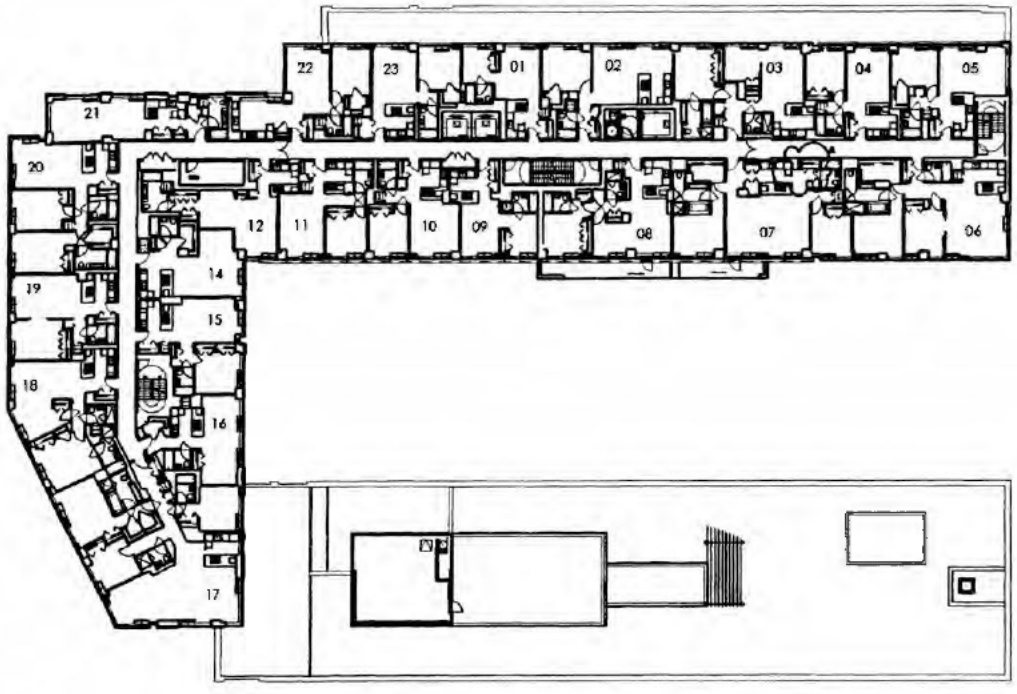
New York, New York
July 28, 2006

10TH FLOOR PLAN

22,161 SQ. FT.

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

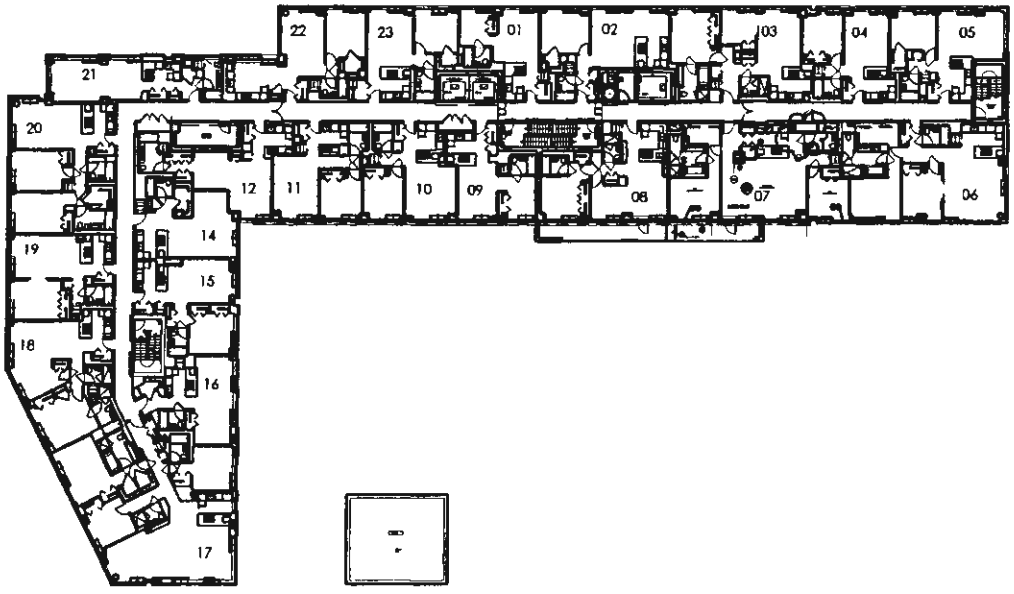
New York, New York
July 28, 2006

11TH FLOOR PLAN

20,512 SQ. FT.

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

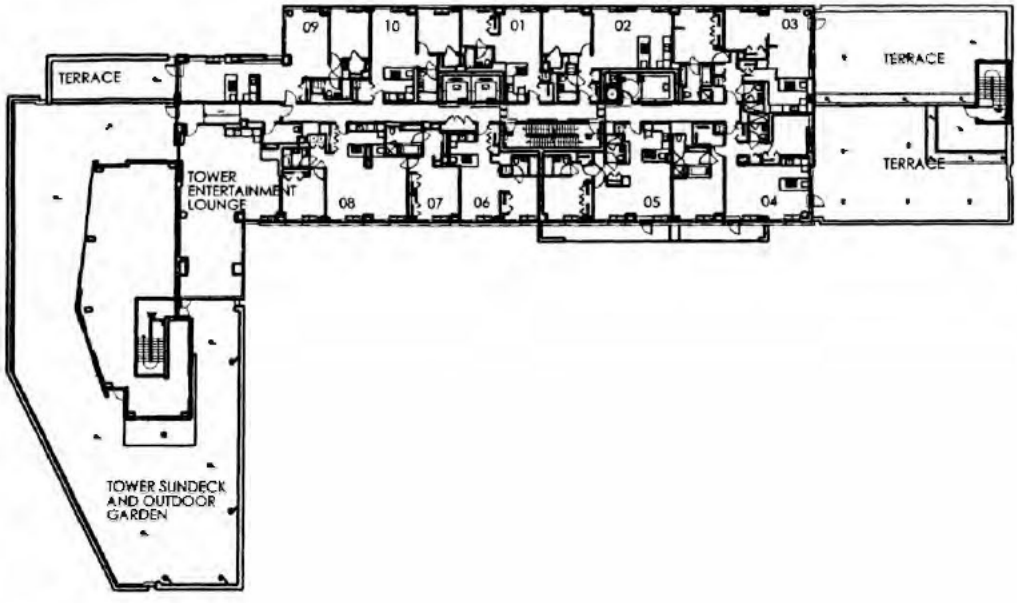
New York, New York
July 28, 2006

12TH FLOOR PLAN

20,512 SQ. FT.

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

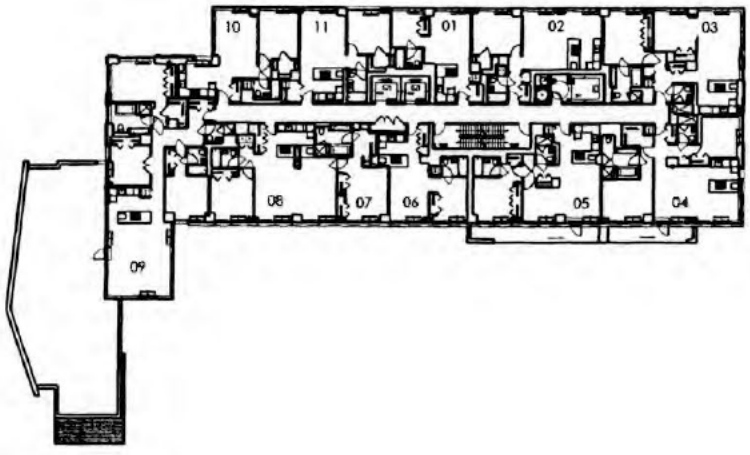
New York, New York
July 28, 2006

14TH FLOOR PLAN

10,189 SQ. FT.

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

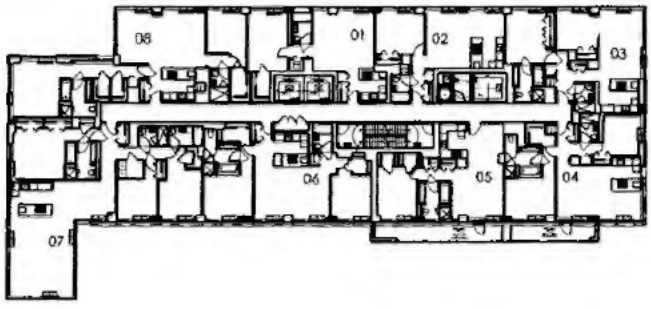
New York, New York
July 28, 2006

15TH-20TH FLOOR PLAN

10,234 SQ. FT.

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



The Caledonia Condominium

New York, New York
July 28, 2006

21ST-26th/PH FLOOR PLAN

N

10,234 SQ. FT.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

ATTACHMENT III

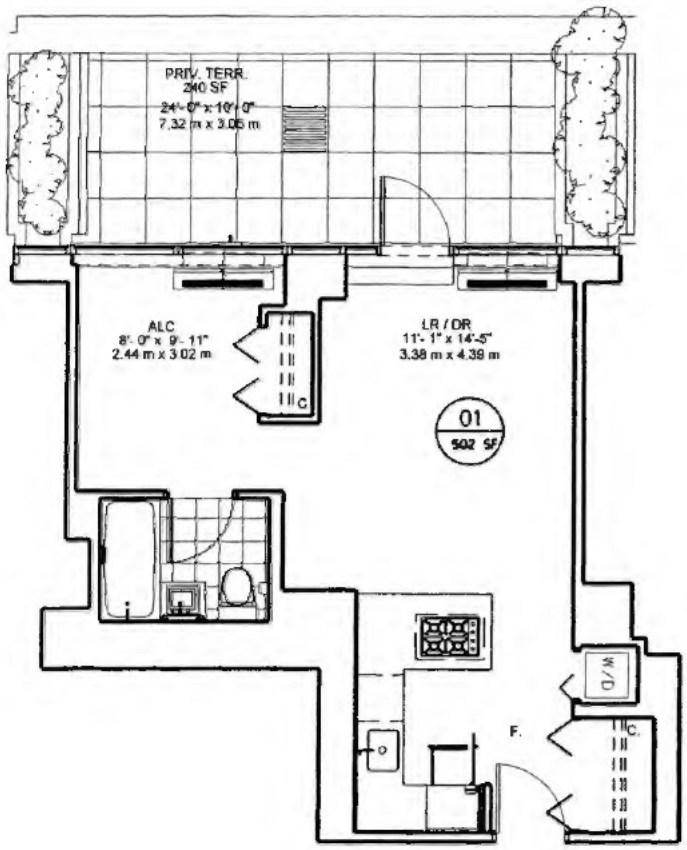
UNIT PLANS

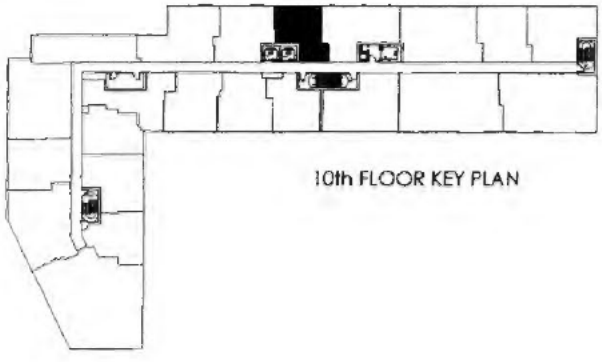
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

PLEASE REFER TO EXHIBIT 5 OF THE OFFERING PLAN FOR A COPY OF THE UNIT FLOOR PLANS FOR EACH UNIT

EXHIBIT "5"

FLOOR PLANS





3' 0 6' 12'

The Caledonia Condominium

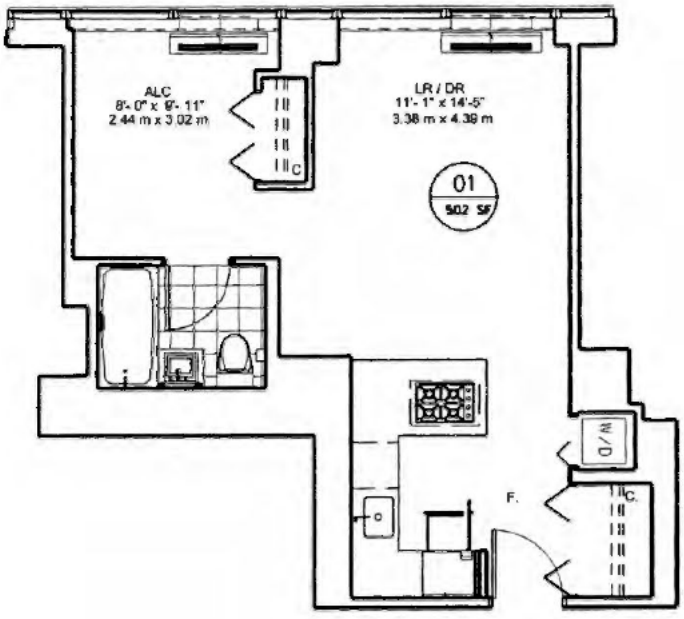
New York, New York
July 28, 2006

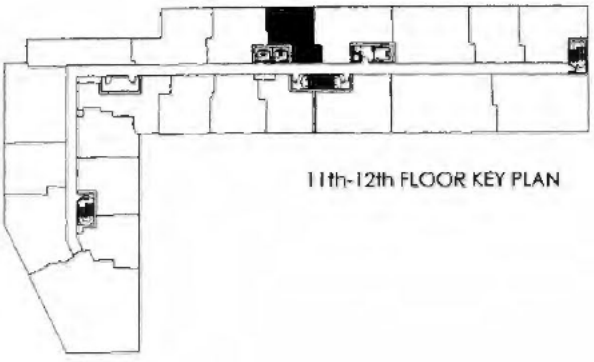
10th Floor Plan UNIT 1

N

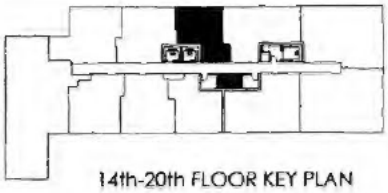
502 SQ. FT.
0 BEDROOM, 1 BATH, 1 ALCOVE,
TERRACE @ 240sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





11th-12th FLOOR KEY PLAN



14th-20th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

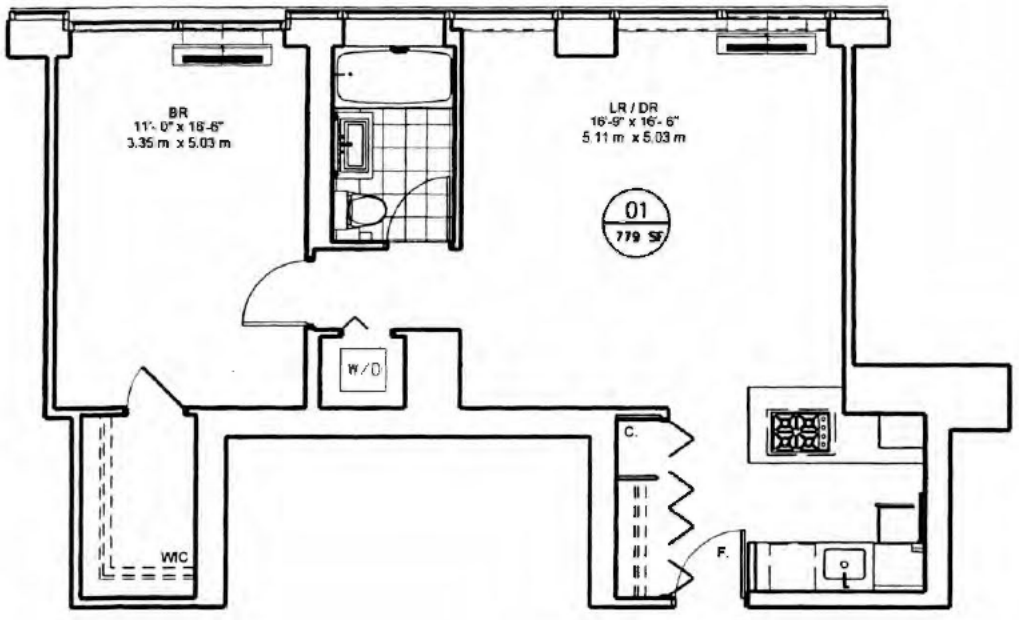
New York, New York
July 28, 2006

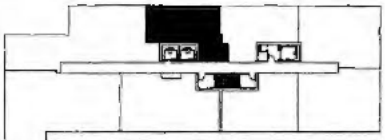
11th-20th Floor Plan UNIT 1

N

502 SQ. FT.
0 BEDROOM, 1 BATH, 1 ALCOVE

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





21st-26th/PH FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

New York, New York
July 28, 2006

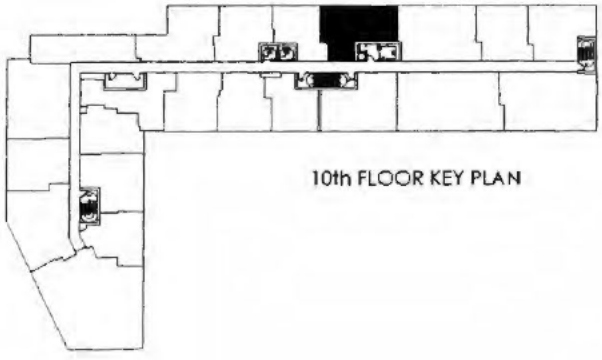
21st-26th/PH Floor Plan UNIT 1

N

779 SQ. FT.
1 BEDROOM, 1 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

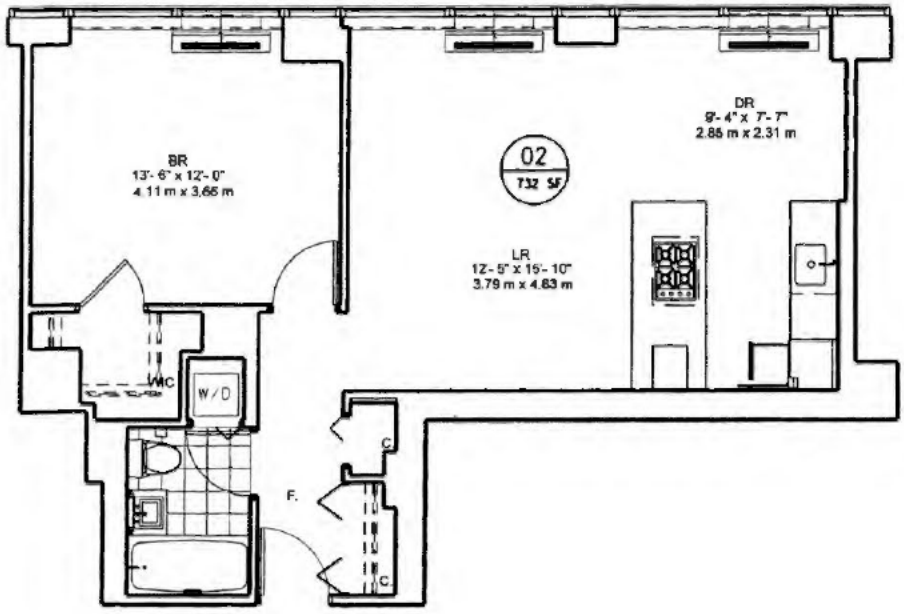
New York, New York
July 28, 2006

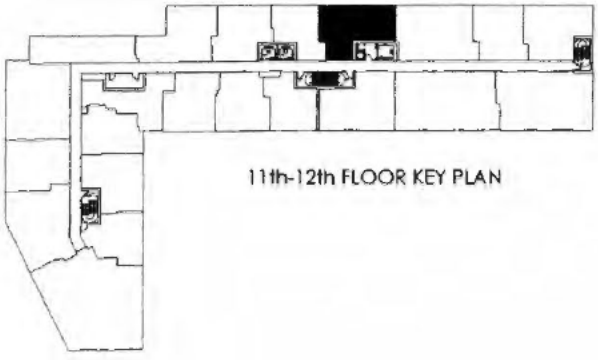
10th Floor Plan UNIT 2

732 SQ. FT.
1 BEDROOM, 1 BATH, TERRACE @ 360sf

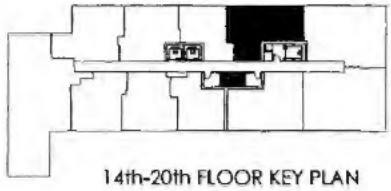
N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





11th-12th FLOOR KEY PLAN



14th-20th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

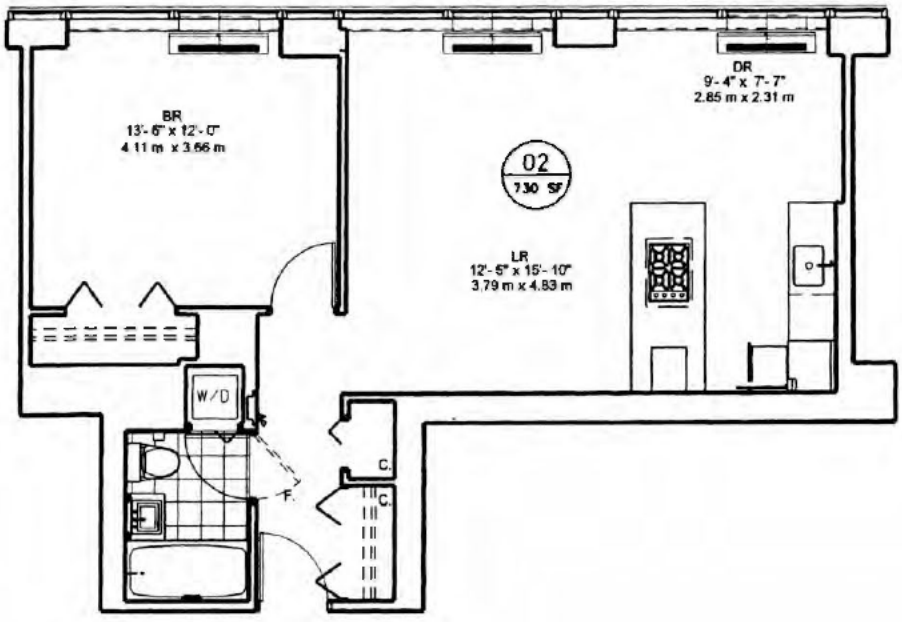
New York, New York
July 28, 2006

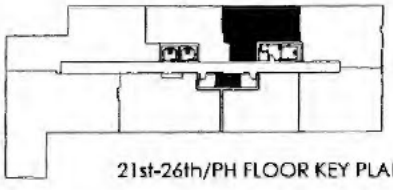
11th-20th Floor Plan UNIT 2

N

732 SQ. FT.
1 BEDROOM, 1 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





21st-26th/PH FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

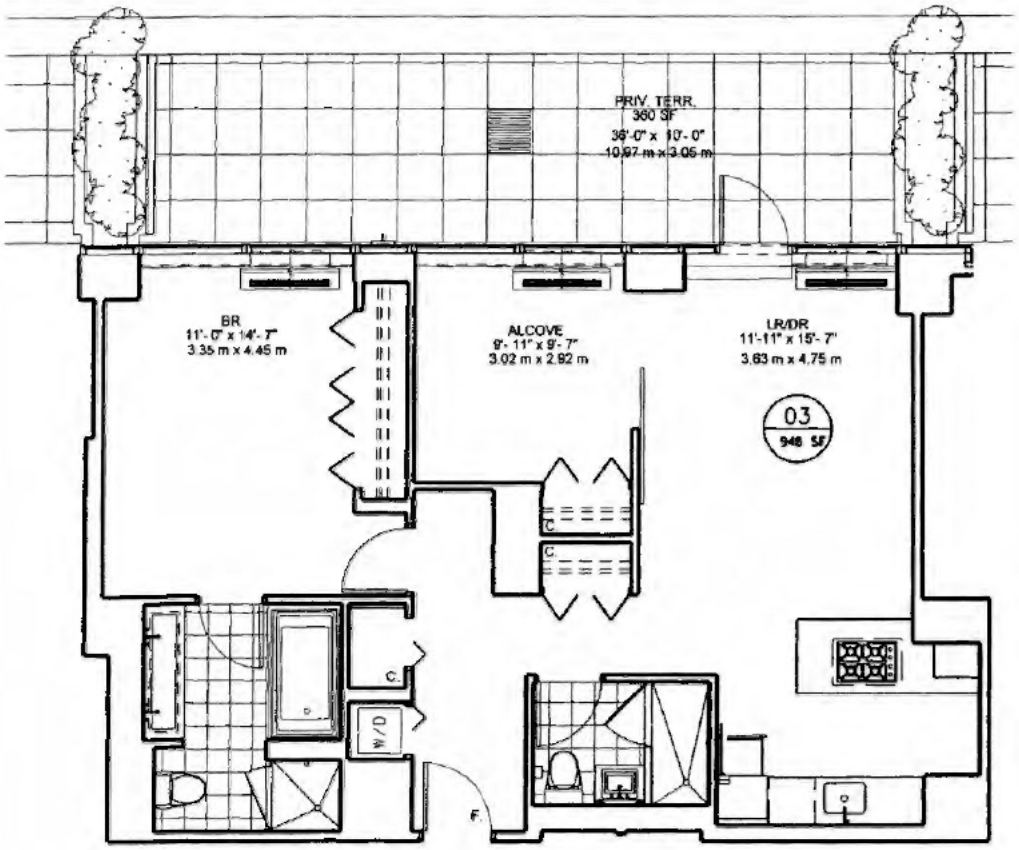
New York, New York
July 28, 2006

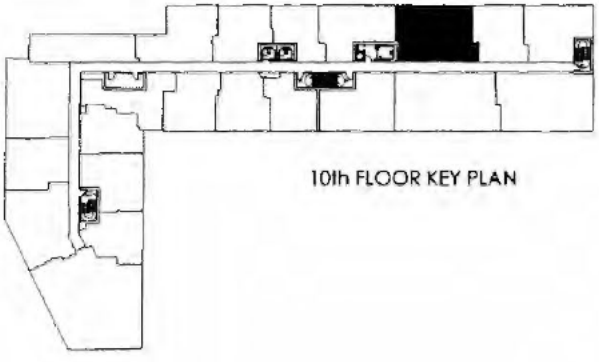
21st-26th/PH Floor Plan UNIT 2

730 SQ. FT.
1 BEDROOM, 1 BATH

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

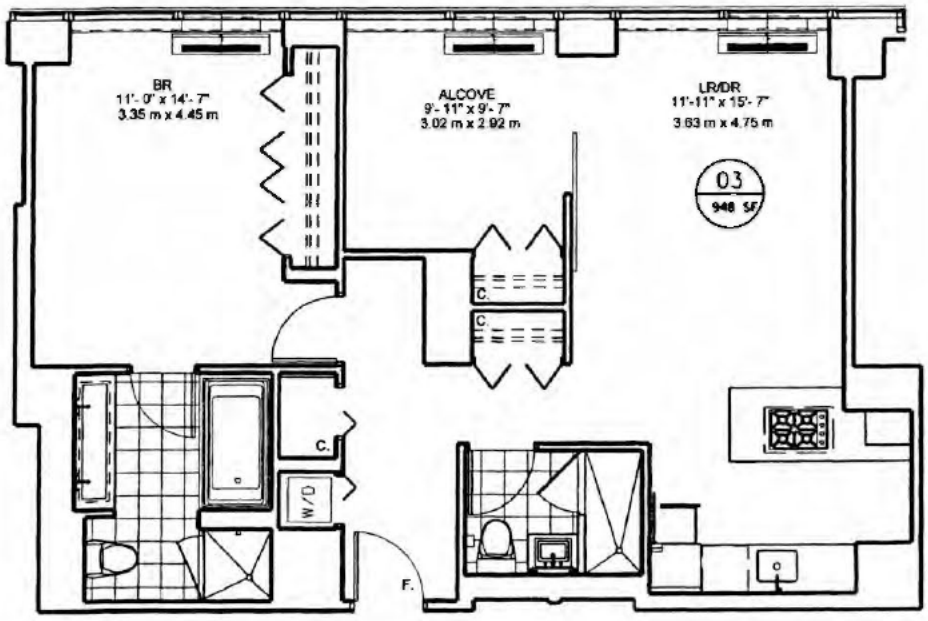
New York, New York
July 28, 2006

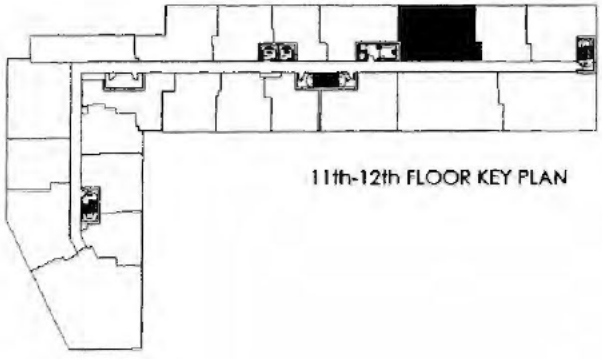
10th Floor Plan UNIT 3

N

948 SQ. FT.
1 BEDROOM, 2 BATH, 1 ALCOVE
TERRACE @ 360sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





11th-12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

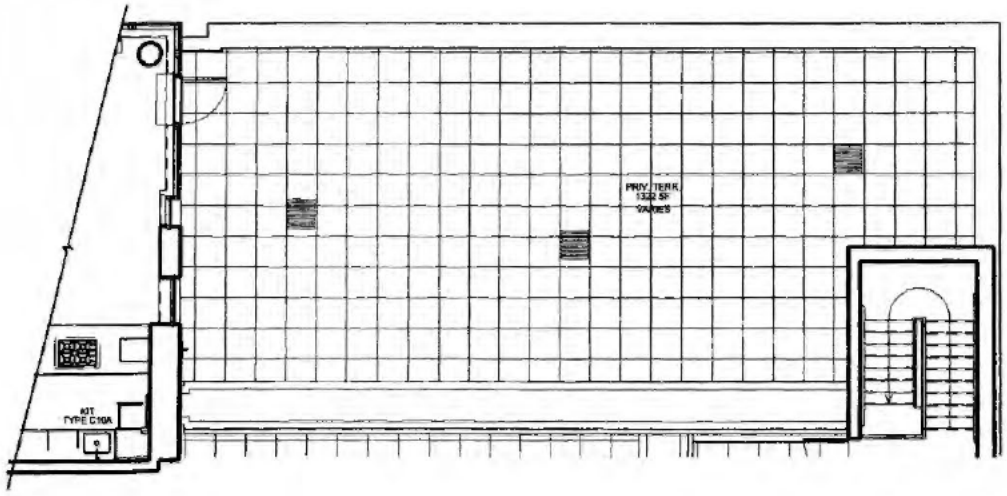
New York, New York
July 28, 2006

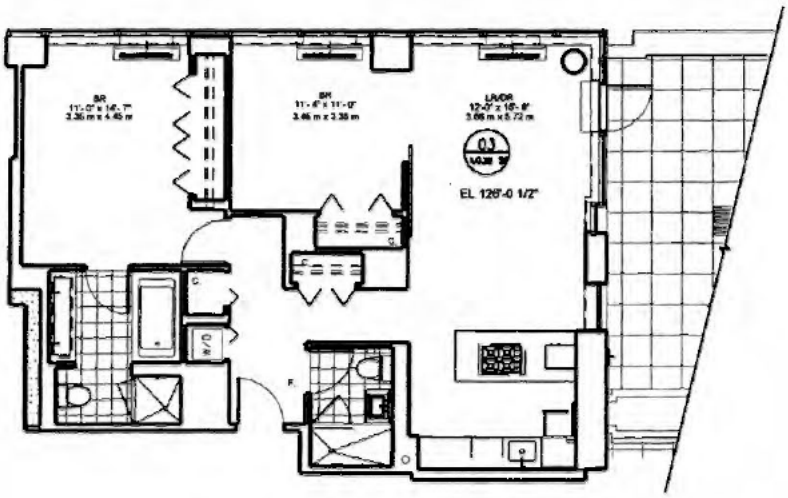
11th-12th Floor Plan UNIT 3

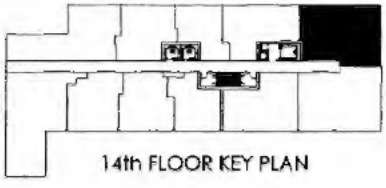
N

948 SQ. FT.
1 BEDROOM, 2 BATH, 1 ALCOVE

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.







4' 0 8' 16'

The Caledonia Condominium

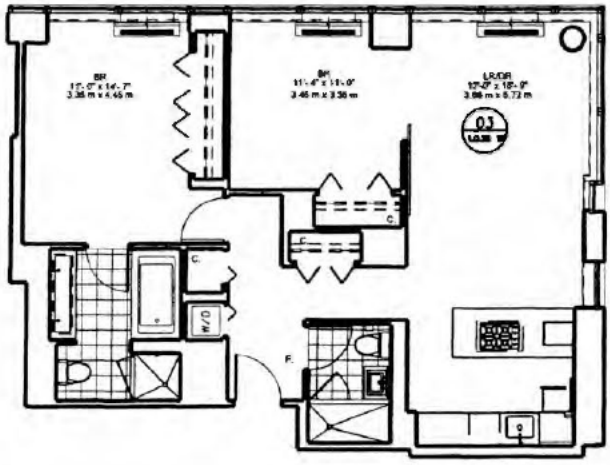
New York, New York
July 28, 2006

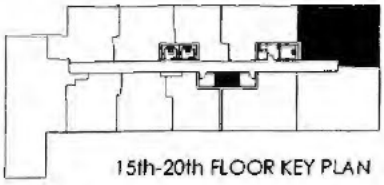
14th Floor Plan UNIT 3

N

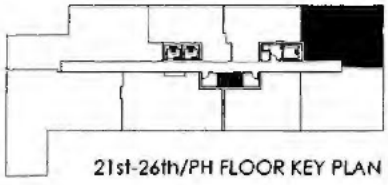
1038 SQ. FT.
2 BEDROOM, 2 BATH, TERRACE @ 1322 sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





15th-20th FLOOR KEY PLAN



21st-26th/PH FLOOR KEY PLAN

4' 0 8' 16'

The Caledonia Condominium

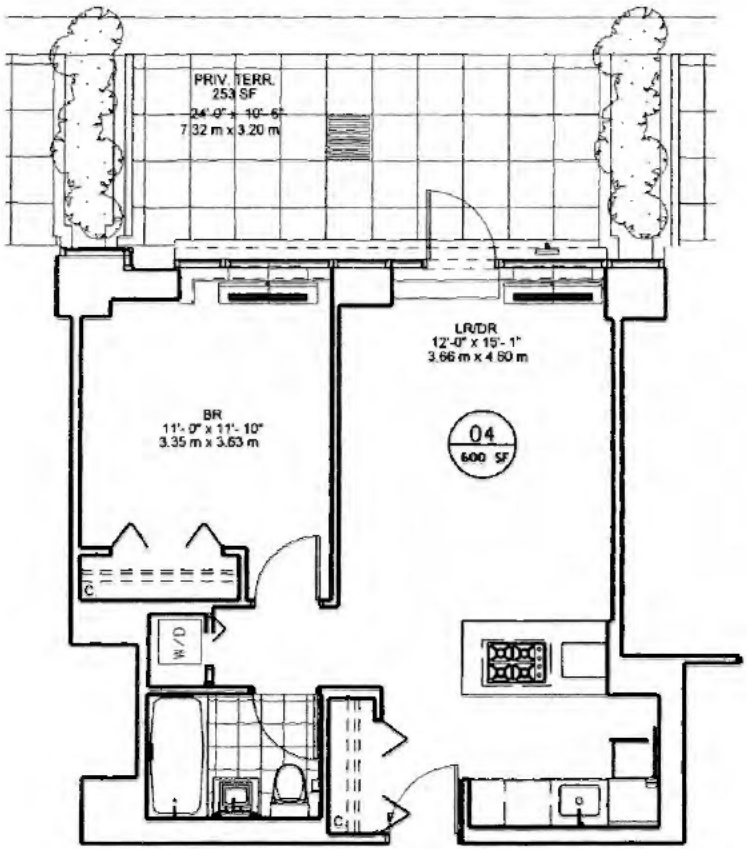
New York, New York
July 28, 2006

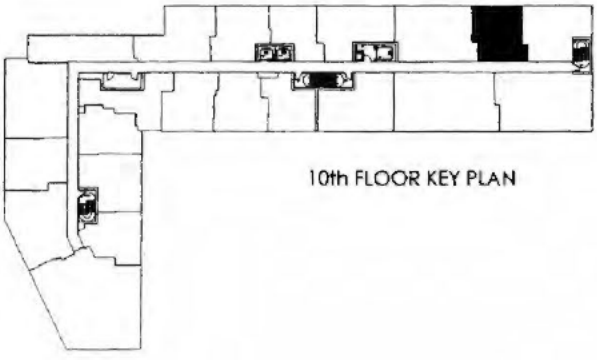
15th-26TH/PH Floor Plan UNIT 3

N

1038 SQ. FT.
2 BEDROOM, 2 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

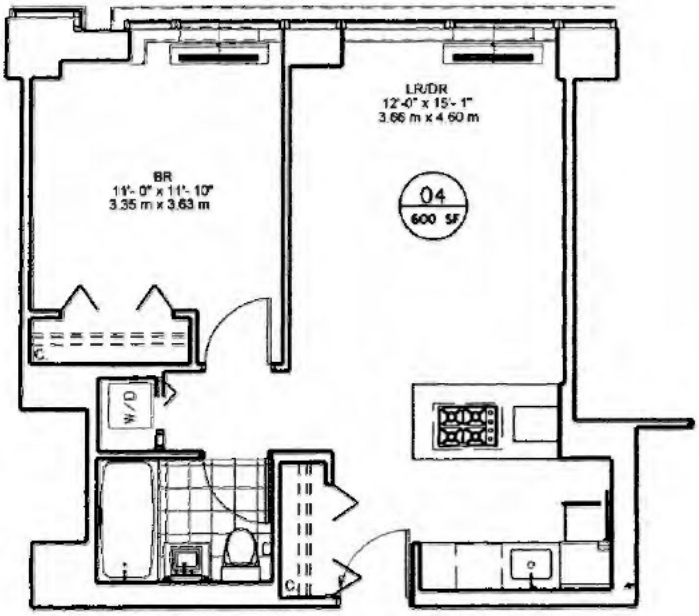
New York, New York
July 28, 2006

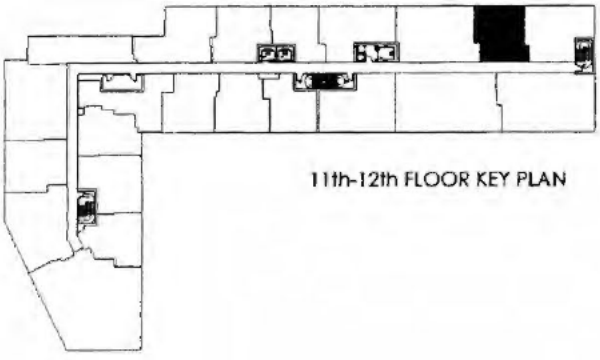
10th Floor Plan UNIT 4

N

600 SQ. FT.
1 BEDROOM, 1 BATH, TERRACE @ 253sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





11th-12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

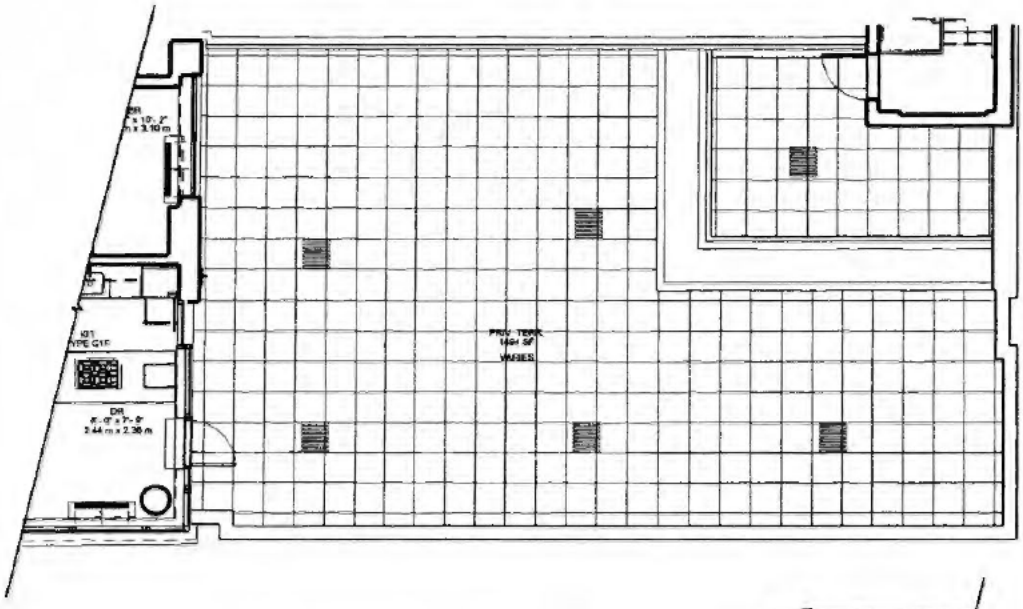
New York, New York
July 28, 2006

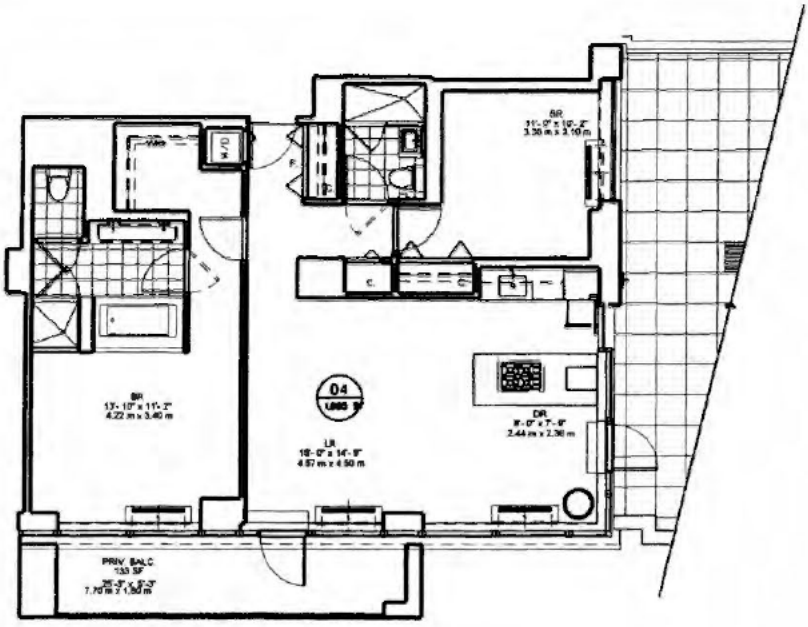
11th-12th Floor Plan UNIT 4

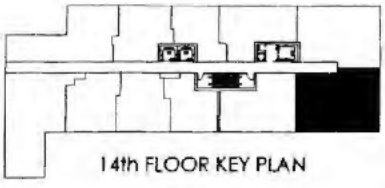
N

600 SQ. FT.
1 BEDROOM, 1 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.







14th FLOOR KEY PLAN

4' 0 8' 16'

The Caledonia Condominium

New York, New York
July 28, 2006

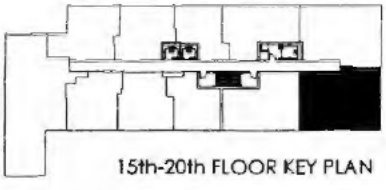
14th Floor Plan UNIT 4

N

1085 SQ. FT.
2 BEDROOM, 2 BATH, TERRACE @ 1494sf
BALCONY @ 133 sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





15th-20th FLOOR KEY PLAN

4' 0 8' 16'

The Caledonia Condominium

New York, New York
July 28, 2006

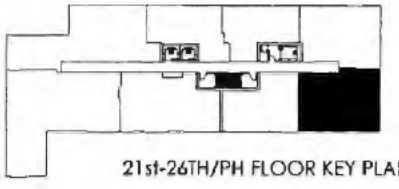
15th-20th Floor Plan UNIT 4

N

1085 SQ. FT.
2 BEDROOM, 2 BATH, BALCONY @ 133sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





21st-26TH/PH FLOOR KEY PLAN

4' 0 8' 16'

The Caledonia Condominium

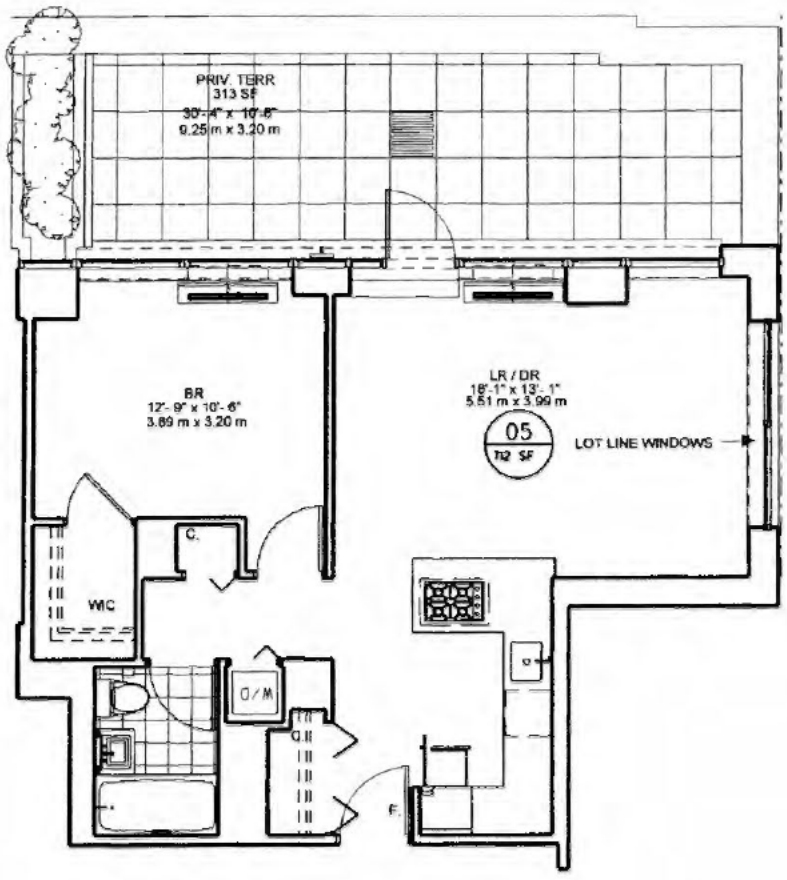
New York, New York
July 28, 2006

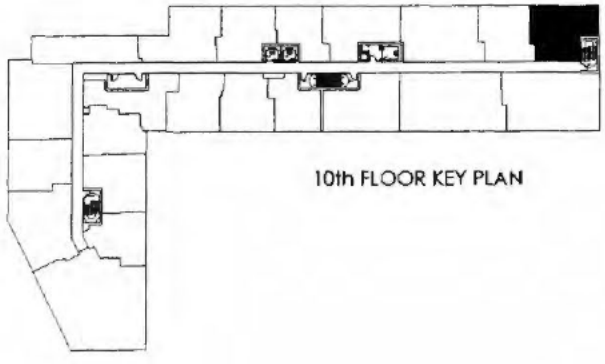
21st-26TH/PH Floor Plan UNIT 4

N

1078 SQ. FT.
2 BEDROOM, 2 BATH, BALCONY @ 133sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

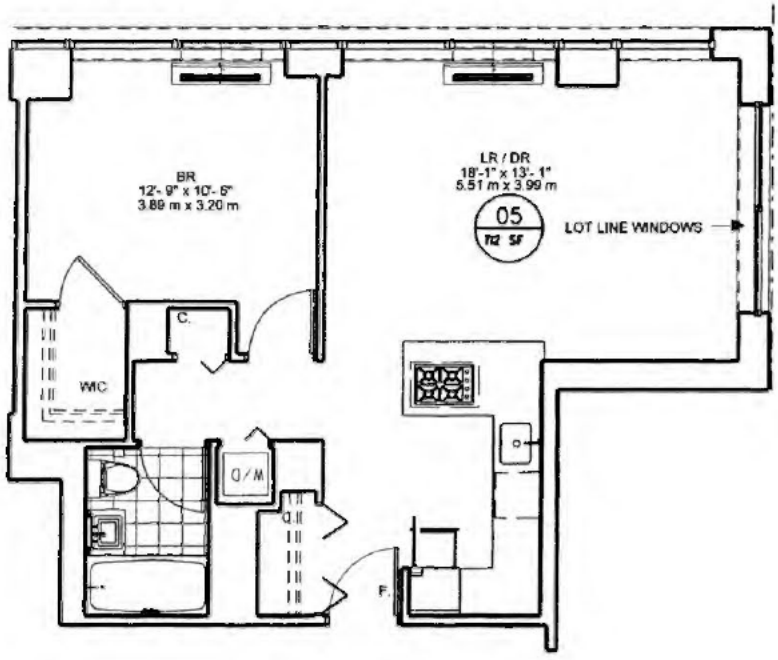
New York, New York
July 28, 2006

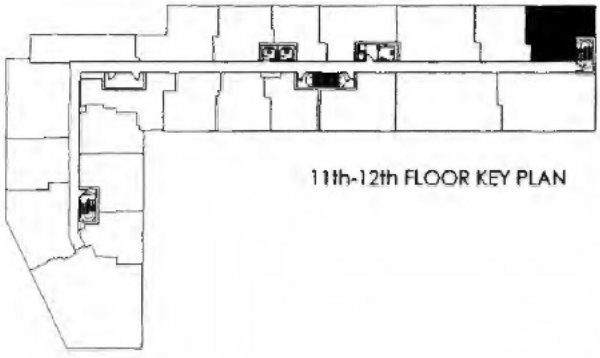
10th Floor Plan UNIT 5

712 SQ. FT.
1 BEDROOM, 1 BATH, TERRACE @ 313sf

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





11th-12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

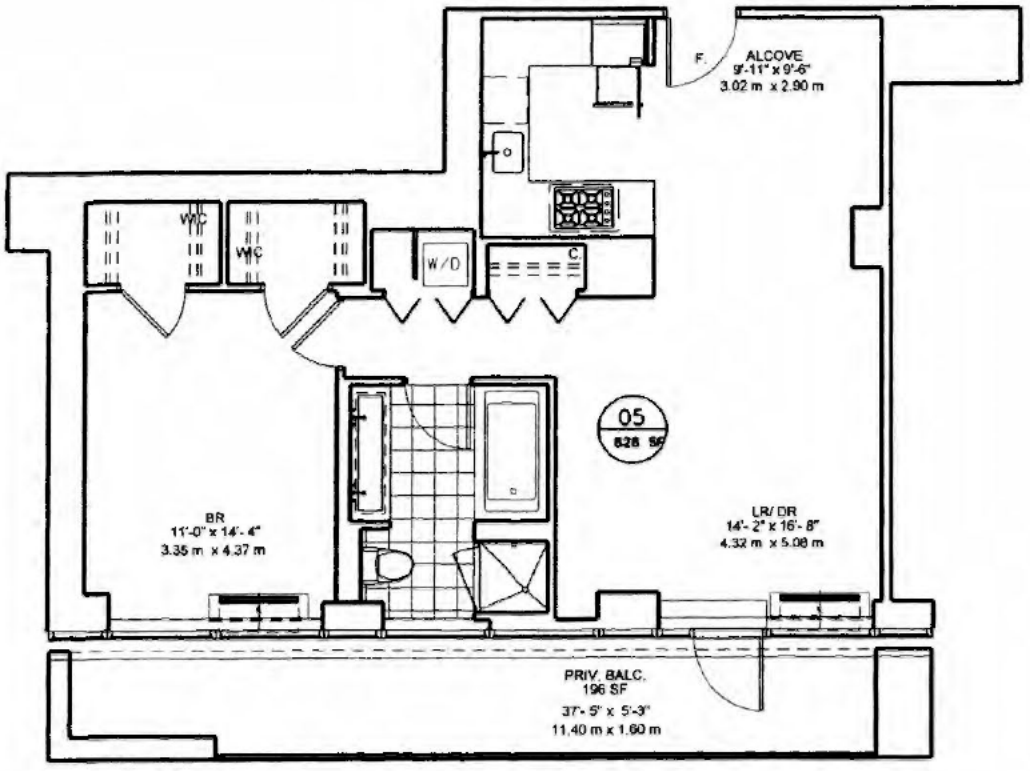
New York, New York
July 28, 2006

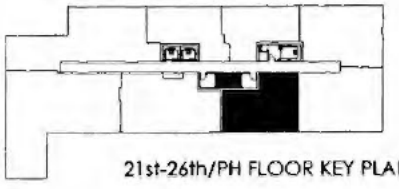
11th-12th Floor Plan UNIT 5

712 SQ. FT.
1 BEDROOM, 1 BATH

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





21st-26th/PH FLOOR KEY PLAN

3' 0 6' 12'

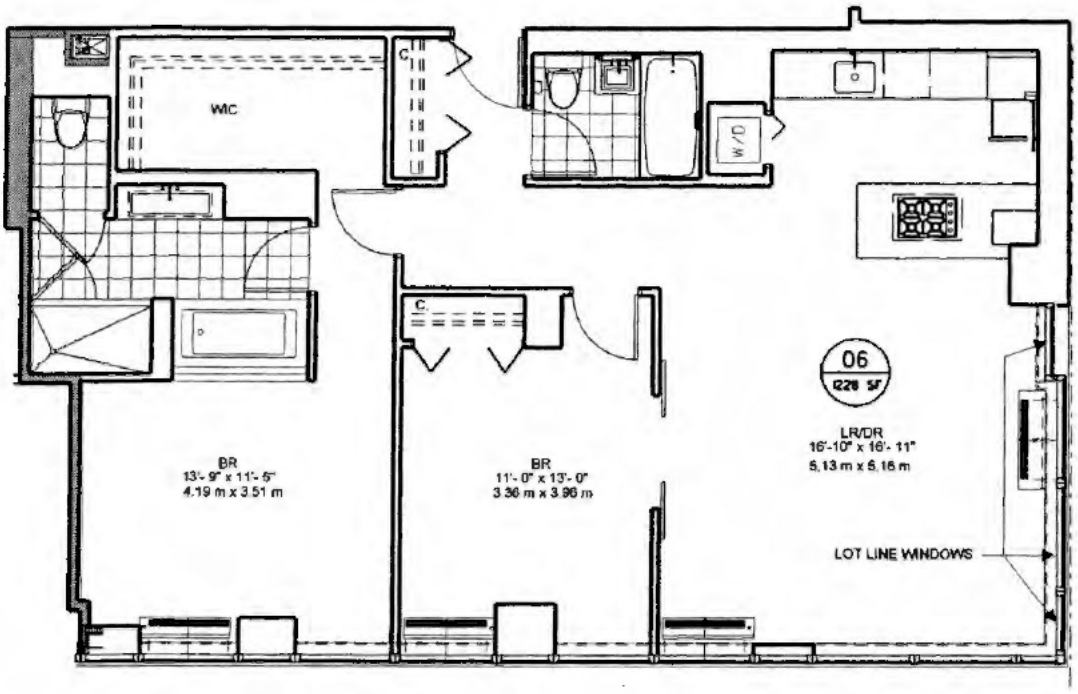
The Caledonia Condominium

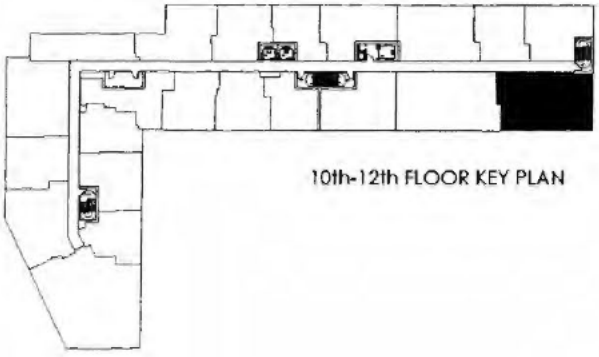
New York, New York
July 28, 2006

21st-26th/PH Floor Plan UNIT 5 N

828 SQ. FT.
1 BEDROOM, 1 BATH, BALCONY 196 SQ. FT.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

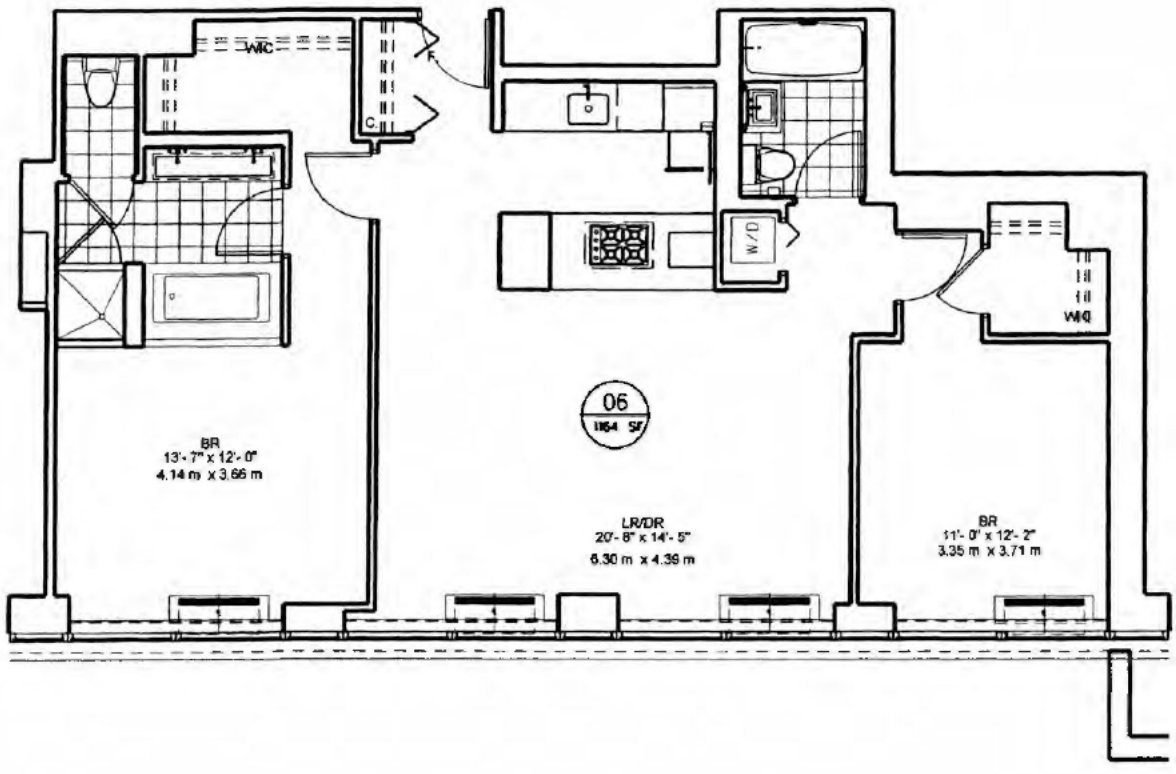
New York, New York
July 28, 2006

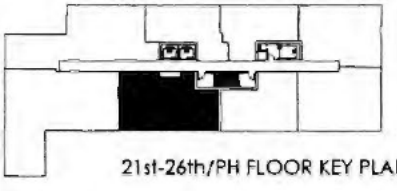
10th-12th Floor Plan UNIT 6

N

1228 SQ. FT.
2 BEDROOM, 2 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





21st-26th/PH FLOOR KEY PLAN

3' 0 6' 12'

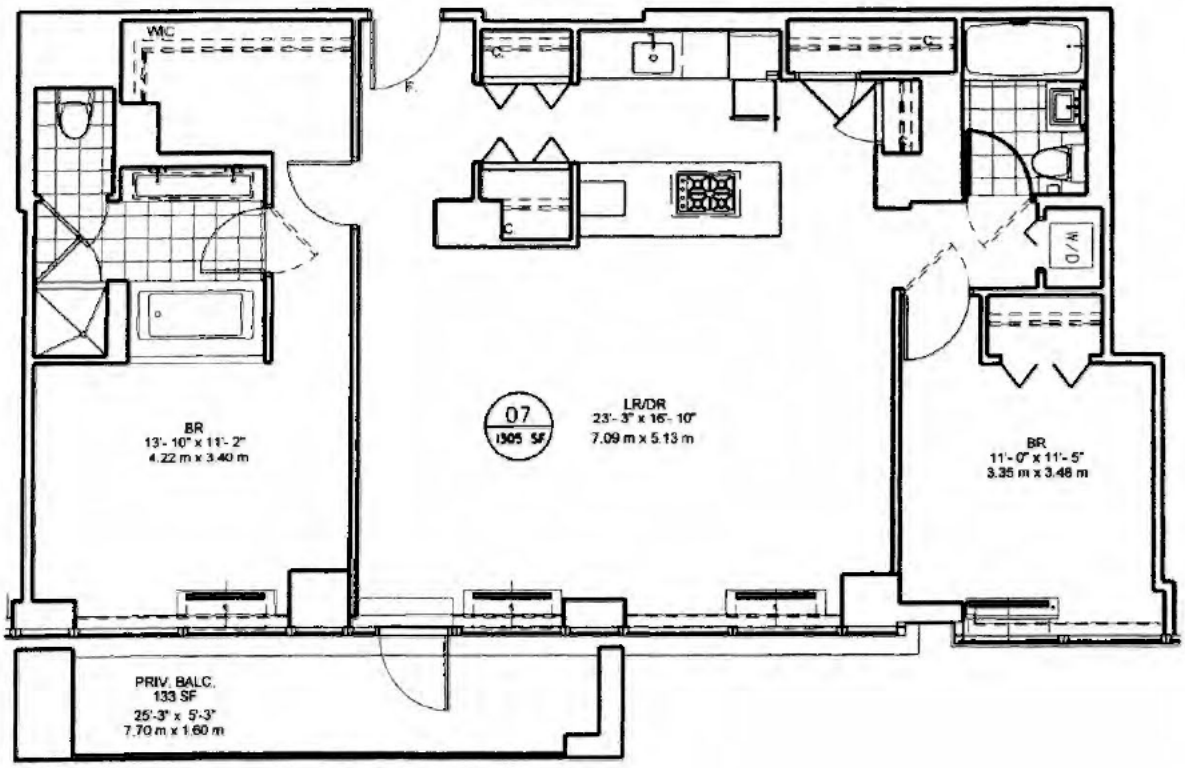
The Caledonia Condominium

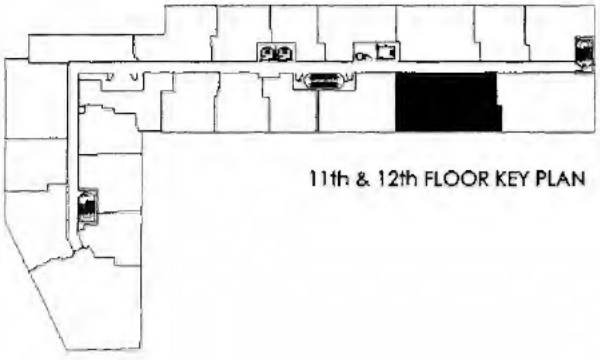
New York, New York
July 28, 2006

21st-26th/PH Floor Plan UNIT 6 N

1164 SQ. FT.
2 BEDROOM, 2 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





11th & 12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

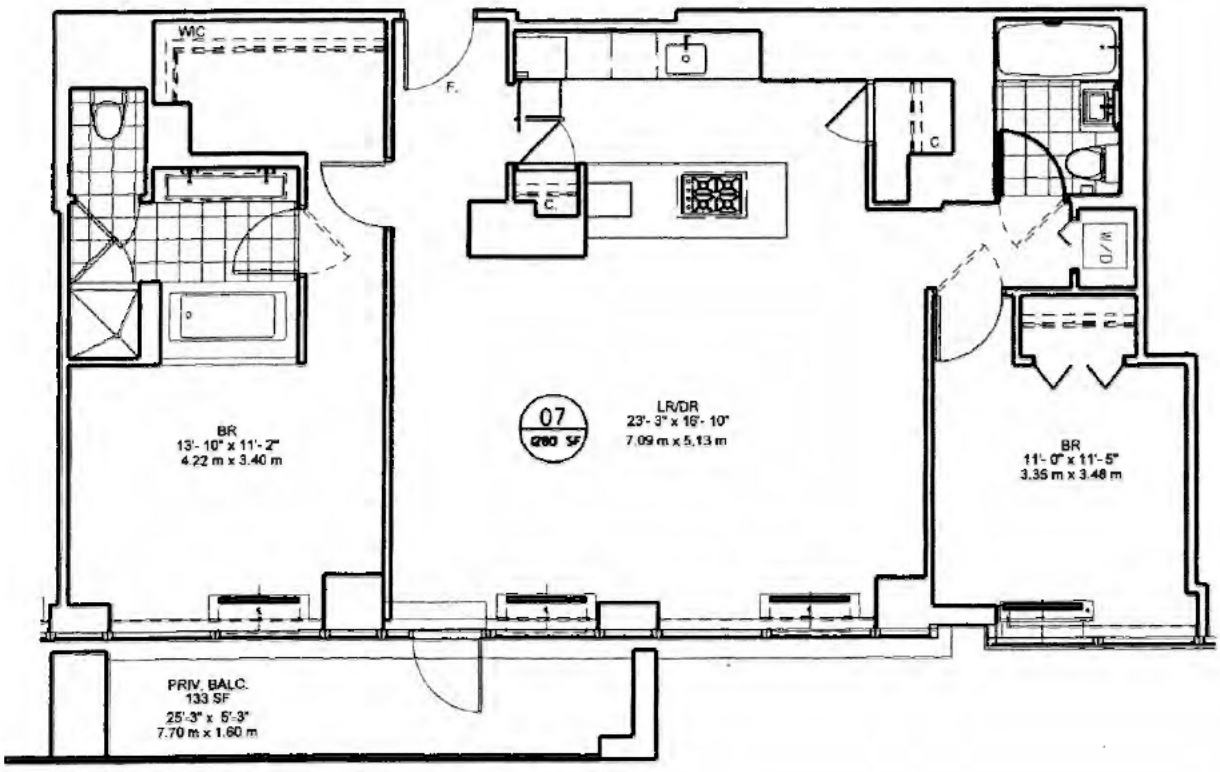
New York, New York
July 28, 2006

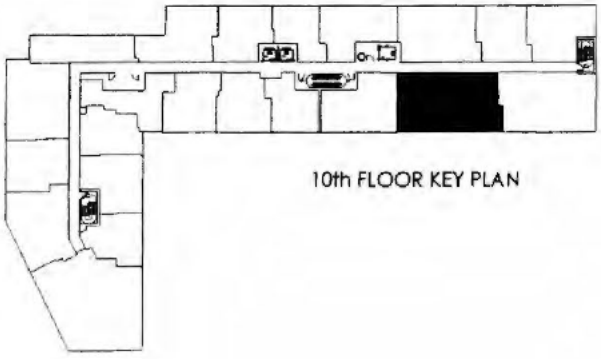
10th & 11th Floor Plan UNIT 7

N

1305 SQ. FT.
2 BEDROOM, 2 BATH, BALCONY @ 133sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

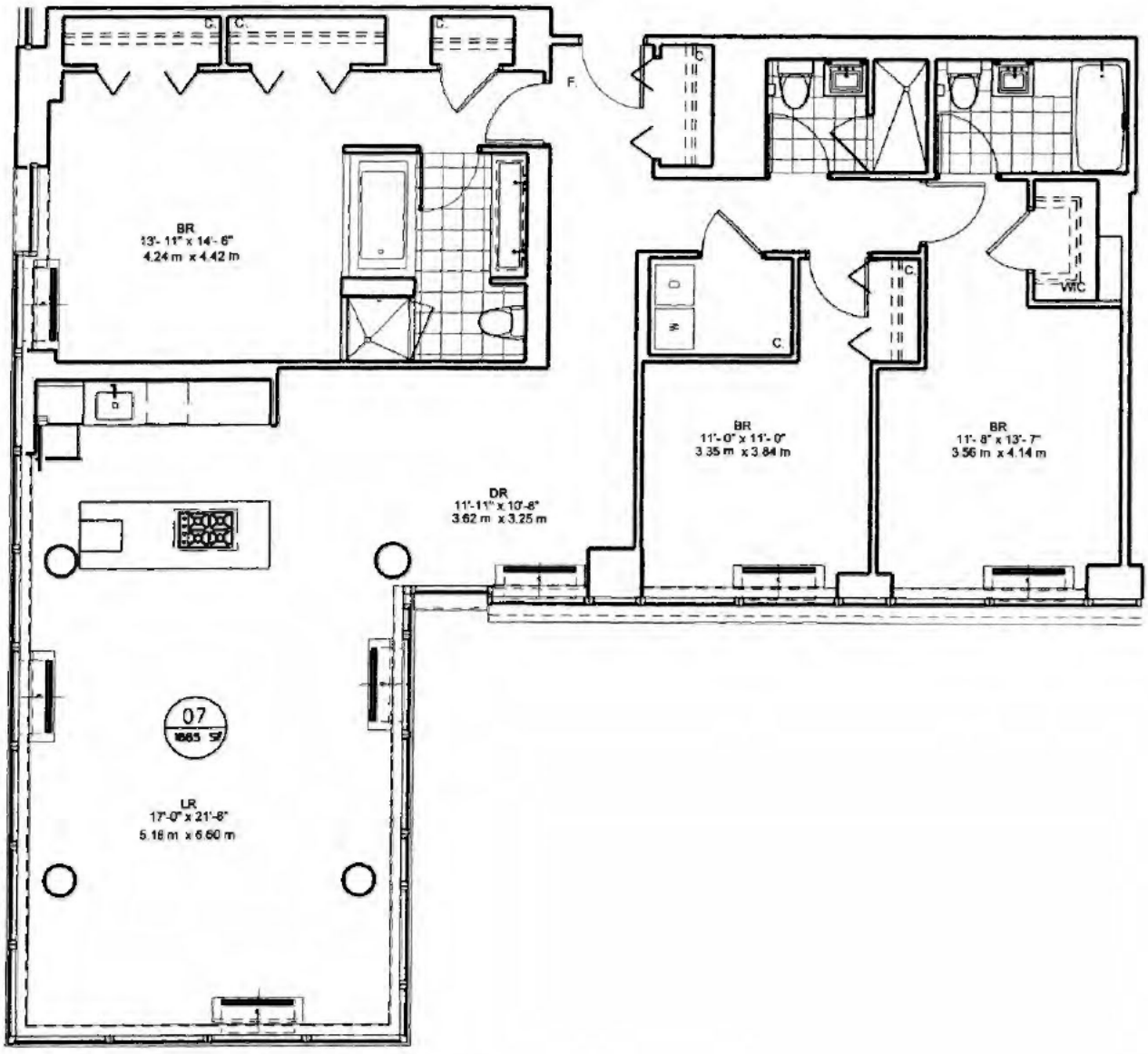
New York, New York
July 28, 2006

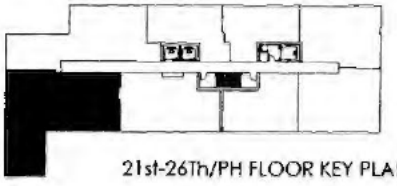
12th Floor Plan UNIT 7

N

1280 SQ. FT.
2 BEDROOM, 2 BATH, BALCONY @ 133sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





21st-26Th/PH FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

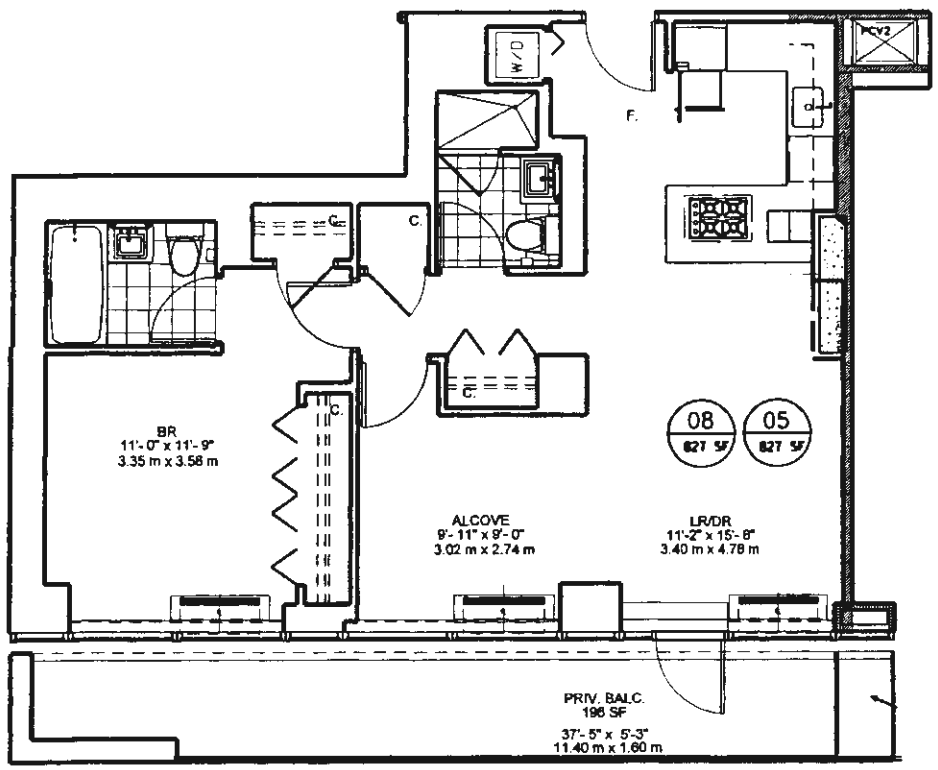
New York, New York
July 28, 2006

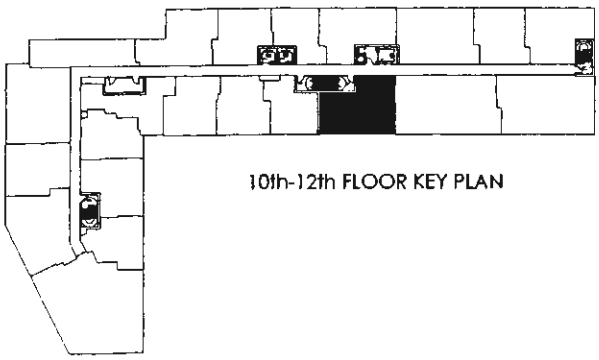
21st-26TH/PH Floor Plan UNIT 7

N

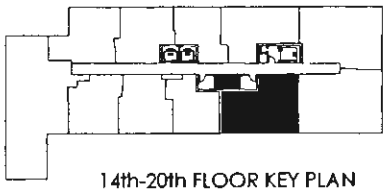
1885 SQ. FT.
3 BEDROOM, 3 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN



14th-20th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

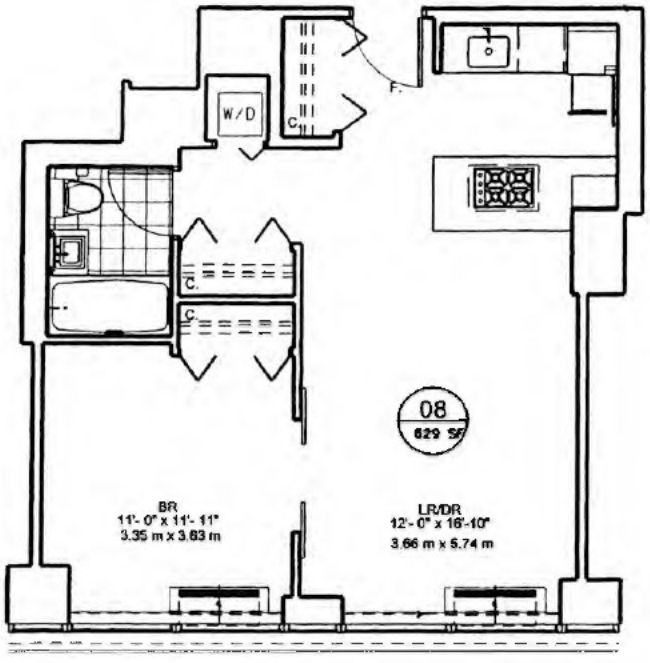
New York, New York
July 28, 2006

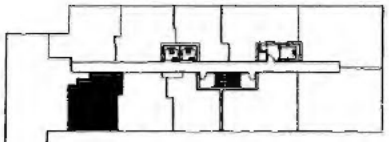
10th-12th Floor Plan UNIT 8
14th-20th Floor Plan UNIT 5

827 SQ. FT.
1 BEDROOM, 2 BATH, 1 ALCOVE.
BALCONY @ 196sf

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





14th-20th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

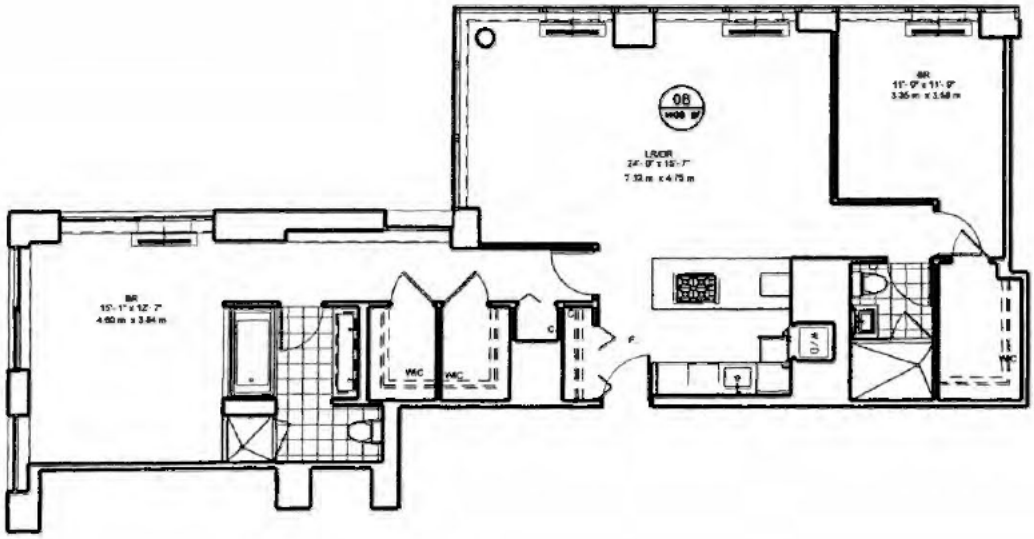
New York, New York
July 28, 2006

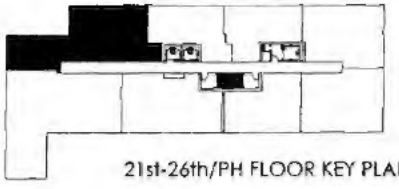
14th-20th Floor Plan UNIT 8

N

629 SQ. FT.
1 BEDROOM, 1 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





21st-26th/PH FLOOR KEY PLAN

4' 0 8' 16'

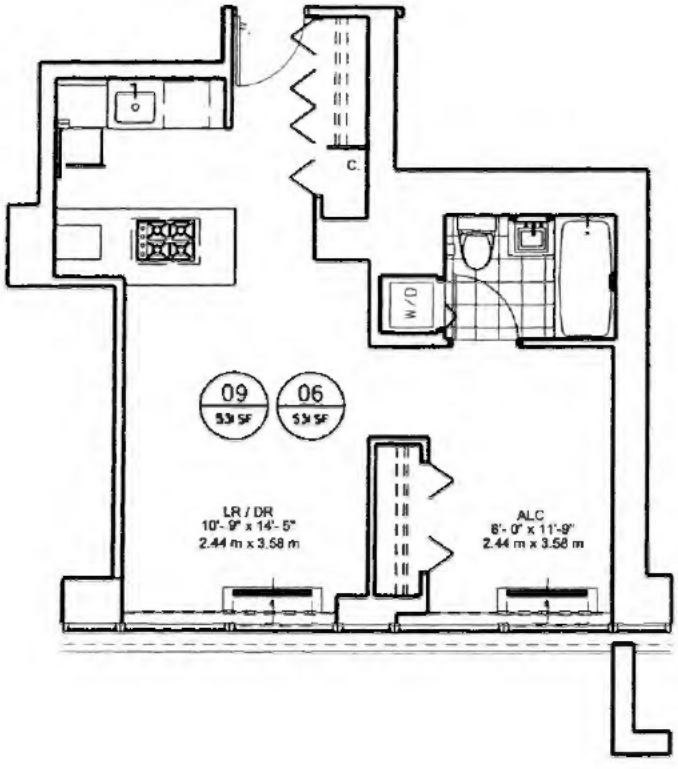
The Caledonia Condominium

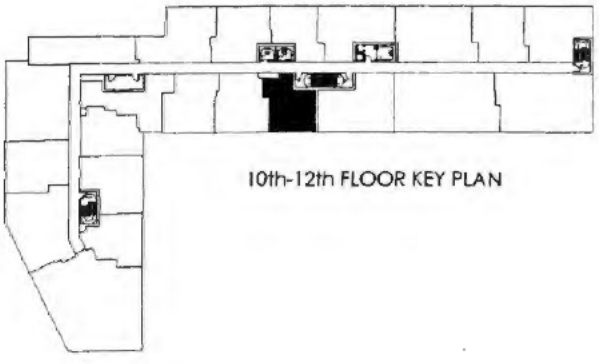
New York, New York
July 28, 2006

21st-26th/PH Floor Plan UNIT 8 N

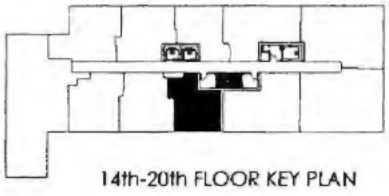
1408 SQ. FT.
2 BEDROOM, 2 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN



14th-20th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

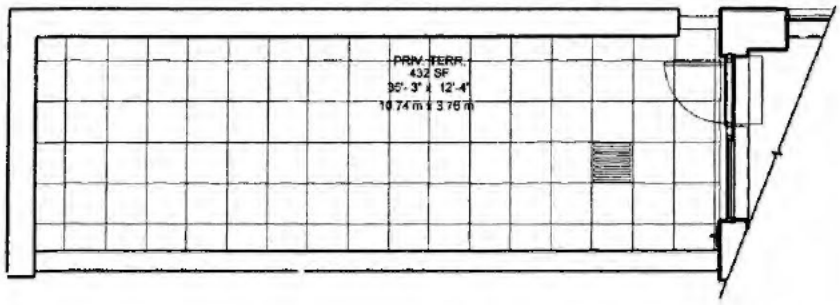
New York, New York
July 28, 2006

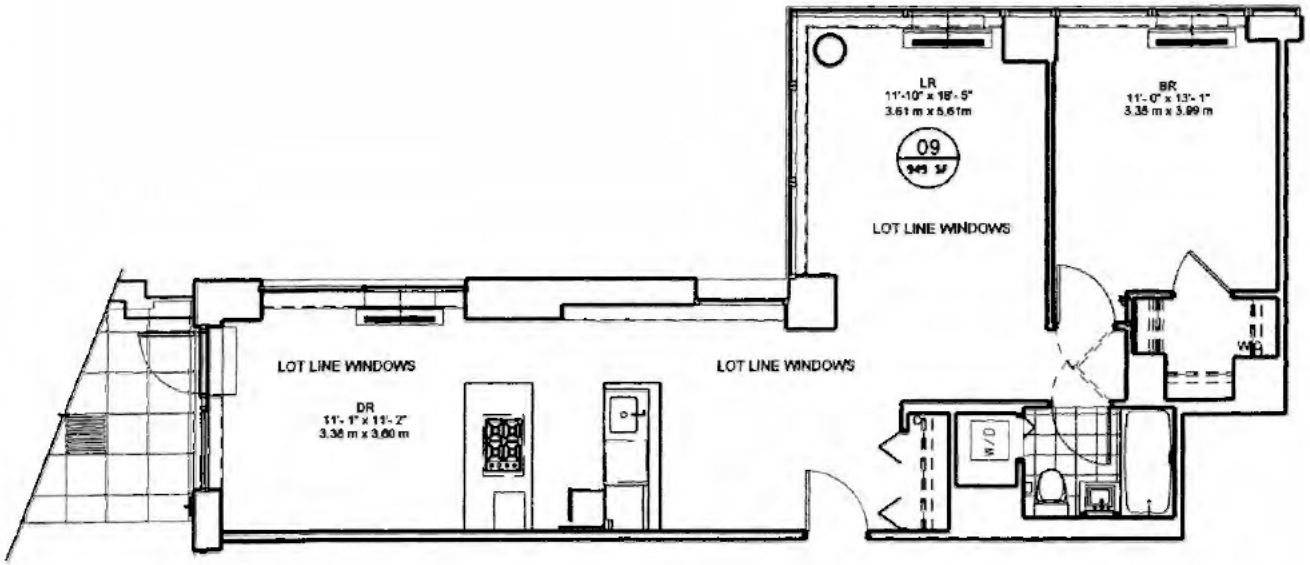
10th-12th Floor Plan UNIT 9
14th-20th Floor Plan UNIT 6

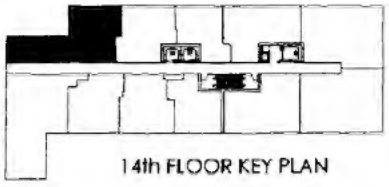
N

531 SQ. FT.
0 BEDROOM, 1 BATH, 1 ALCOVE

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.







3' 0 6' 12'

The Caledonia Condominium

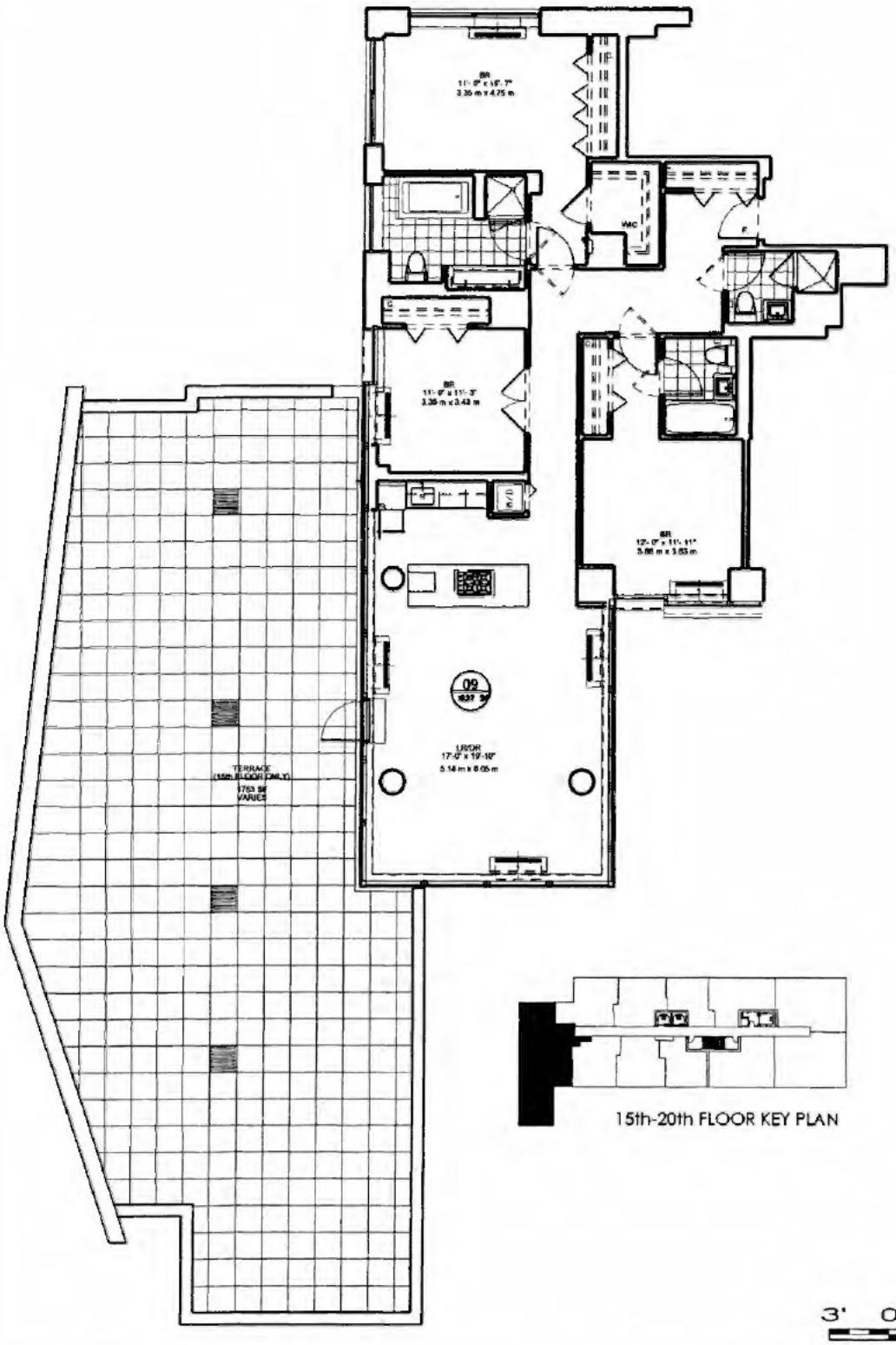
New York, New York
July 28, 2006

14th Floor Plan UNIT 9

N

949 SQ. FT.
1 BEDROOM, 1 BATH, TERRACE @ 432 sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.



15th-20th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

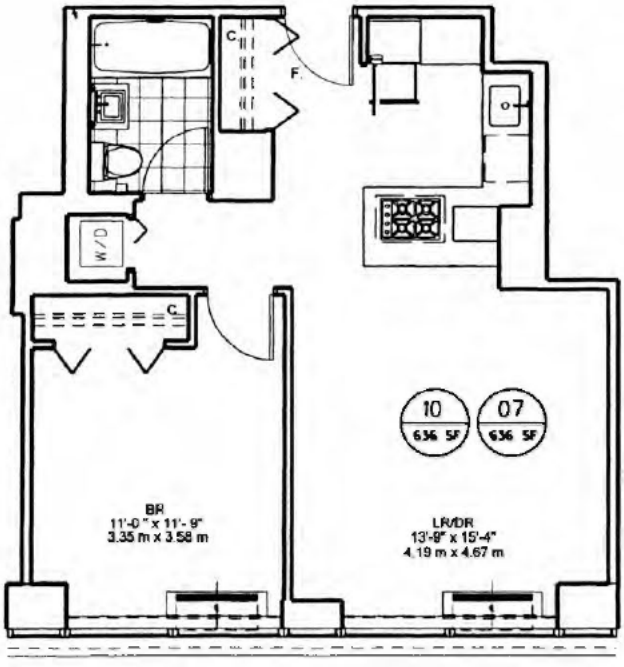
New York, New York
July 28, 2006

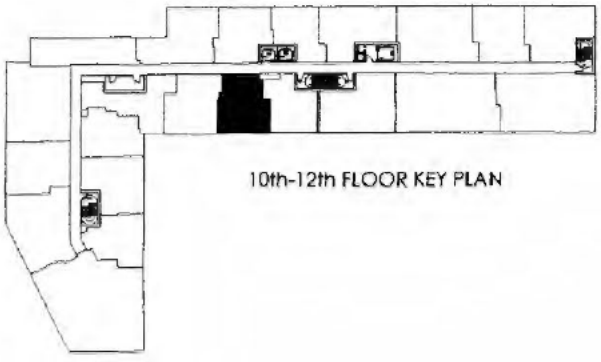
15th-20th Floor Plan UNIT 9

N

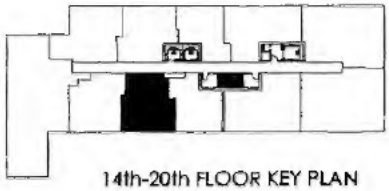
1637 SQ. FT.
3 BEDROOM, 3 BATH
TERRACE @ 1753 (15F ONLY)

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN



14th-20th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

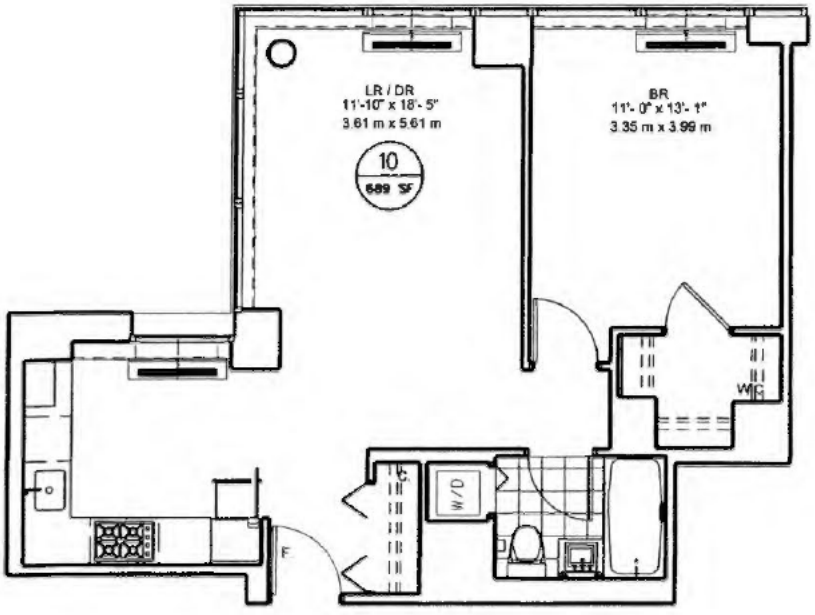
New York, New York
July 28, 2006

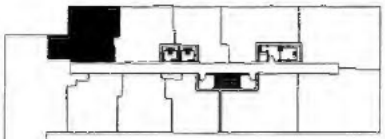
10th-12th Floor Plan UNIT 10
14th-20th Floor Plan UNIT 7

N

636 SQ. FT.
1 BEDROOM, 1 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





15th-20th FLOOR KEY PLAN

3' 0 6' 12'

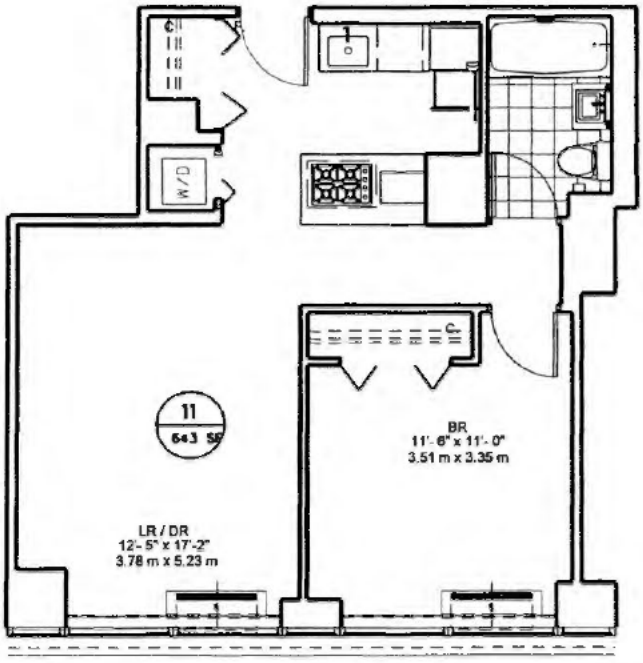
The Caledonia Condominium

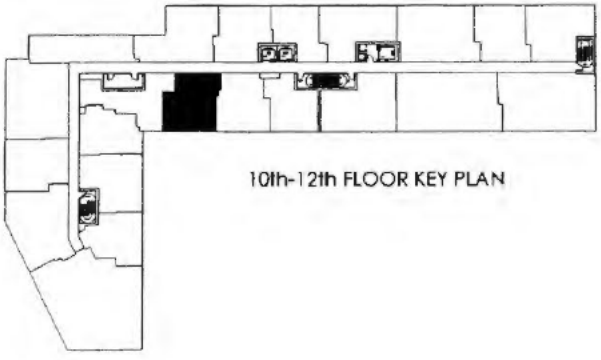
New York, New York
July 28, 2006

15th-20th Floor Plan UNIT 10 N

689 SQ. FT.
1 BEDROOM, 1 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





3' 0 6' 12'

The Caledonia Condominium

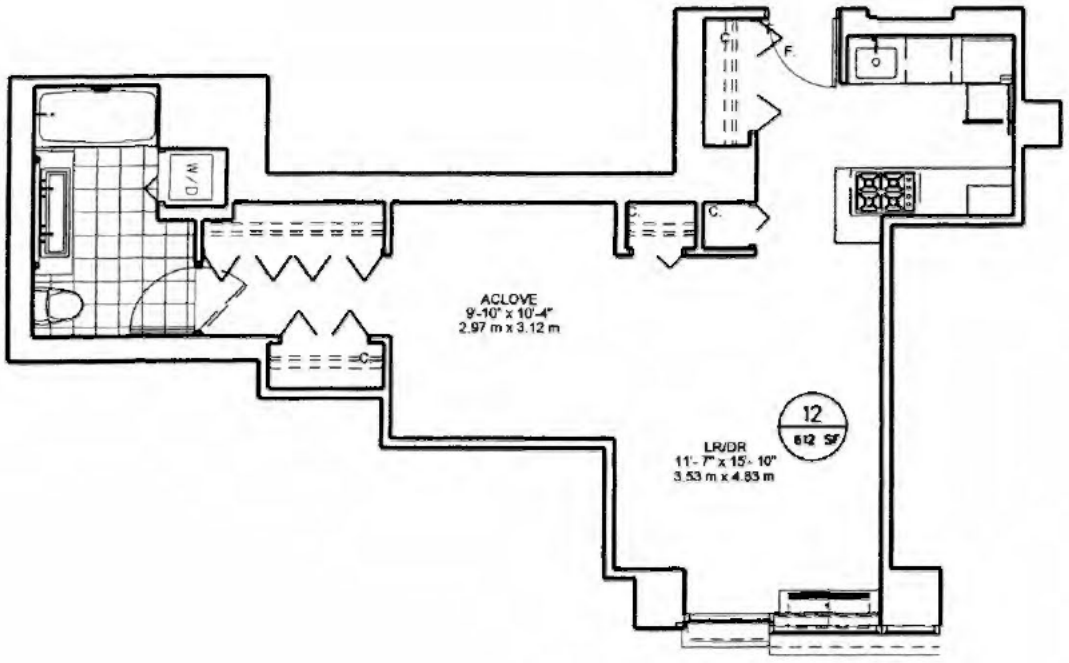
New York, New York
July 28, 2006

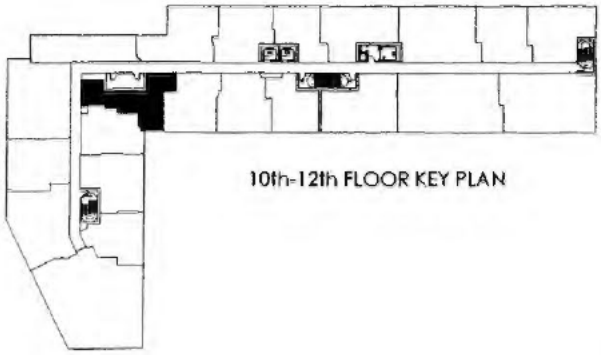
10th-12th Floor Plan UNIT 11

N

643 SQ. FT.
1 BEDROOM, 1 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

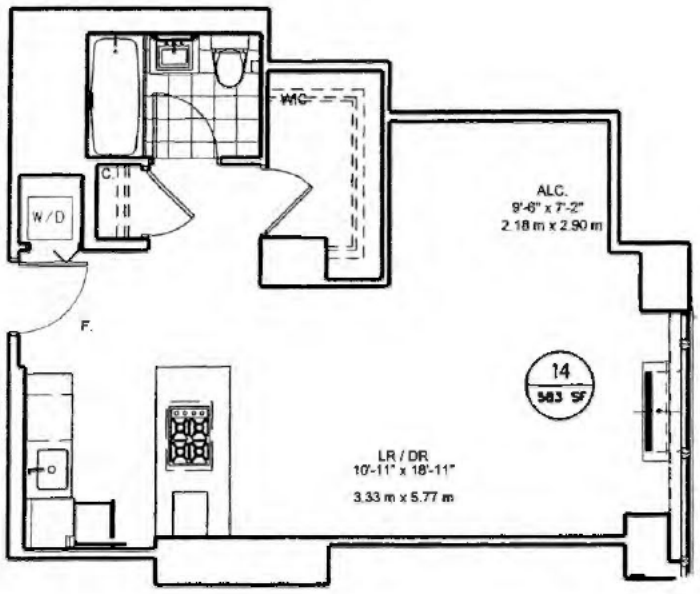
New York, New York
July 28, 2006

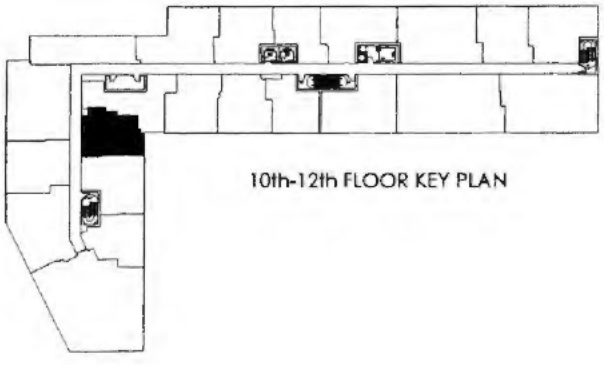
10th-12th Floor Plan UNIT 12

612 SQ. FT.
0 BEDROOM, 1 BATH, 1 ALCOVE

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

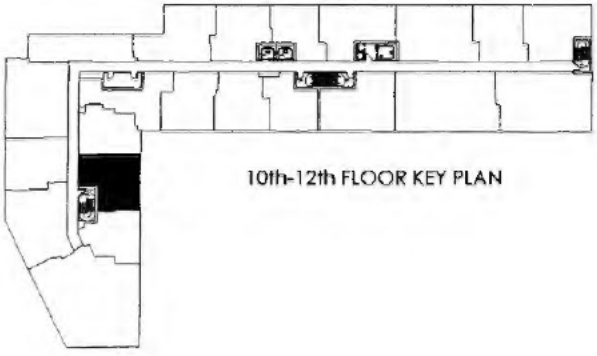
New York, New York
July 28, 2006

10th-12th Floor Plan UNIT 14 N

583 SQ. FT.
0 BEDROOM, 1 BATH, 1 ALCOVE

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

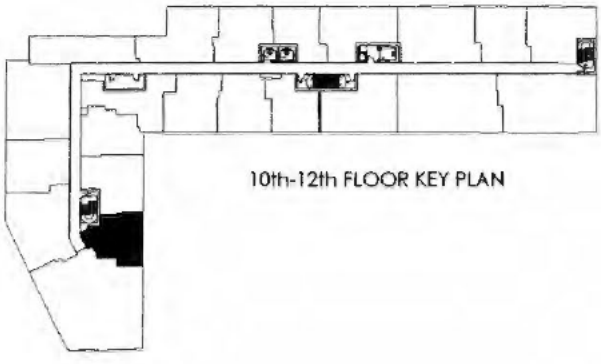
New York, New York
July 28, 2006

10th-12th Floor Plan UNIT 15 N

688 SQ. FT.
1 BEDROOM, 1 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

New York, New York
July 28, 2006

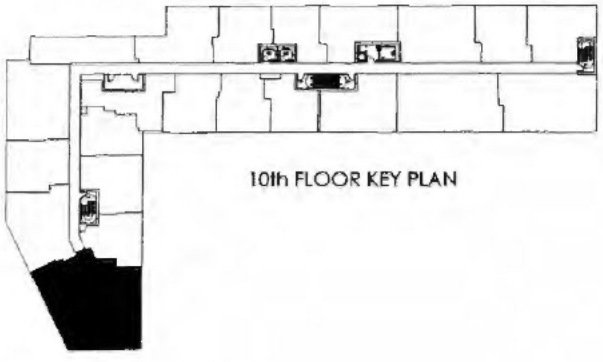
10th-12th Floor Plan UNIT 16

N

561 SQ. FT.
0 BEDROOM, 1 BATH, 1 ALCOVE

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





4' 0 8' 16'

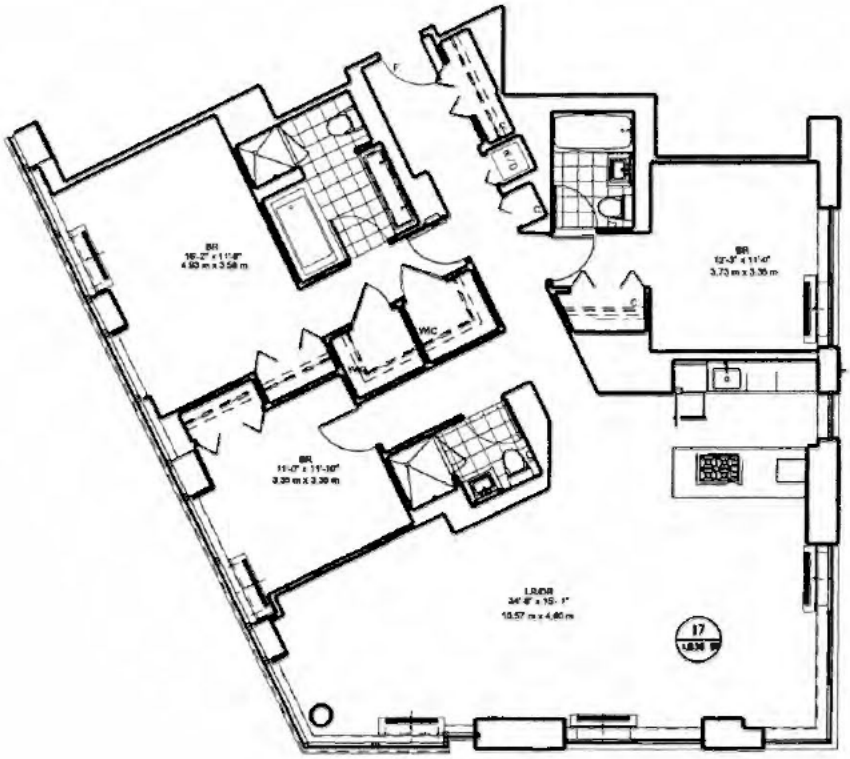
The Caledonia Condominium

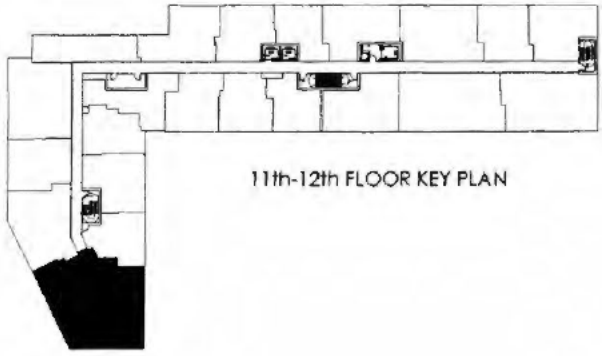
New York, New York
July 28, 2006

10th Floor Plan UNIT 17 N

1836 SQ. FT.
3 BEDROOM, 3 BATH, TERRACE @ 1026 sf

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





11th-12th FLOOR KEY PLAN

4' 0 8' 16'

The Caledonia Condominium

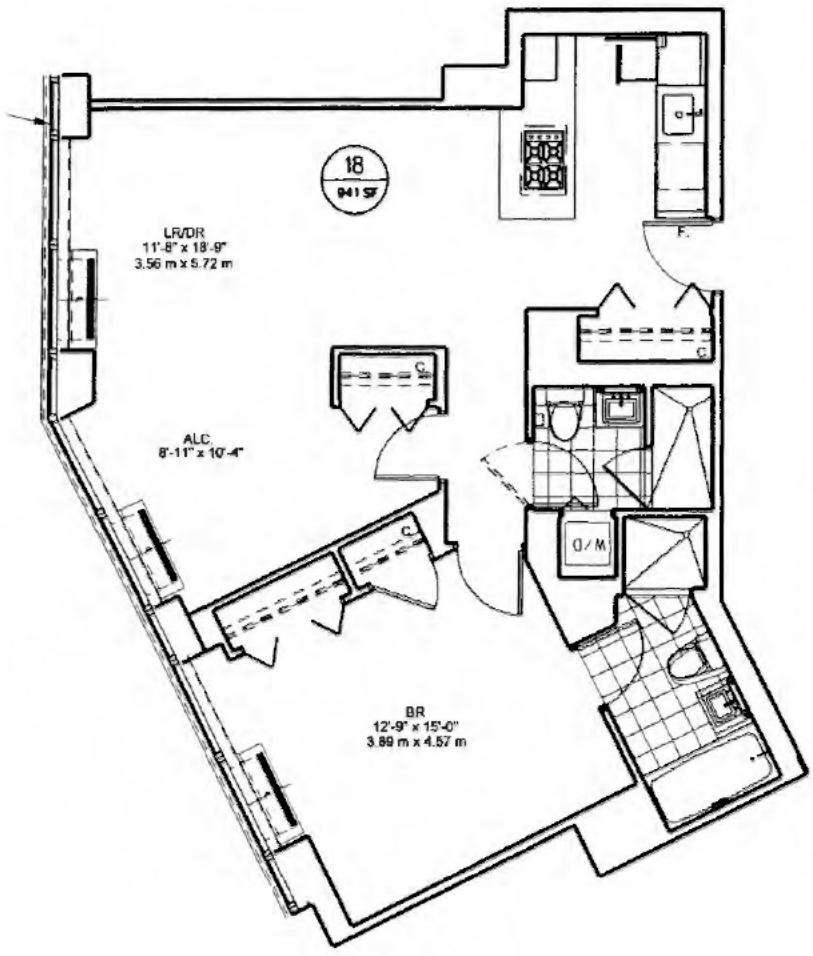
New York, New York
July 28, 2006

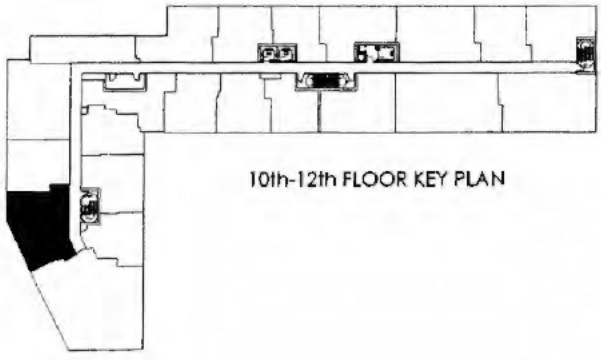
11th-12th Floor Plan UNIT 17

N

1836 SQ. FT.
3 BEDROOM, 3 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN

3' 0 6' 12'

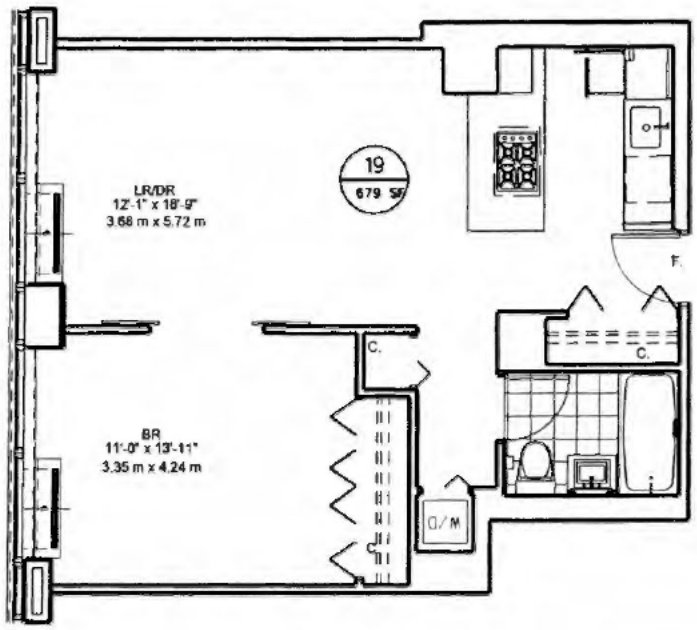
The Caledonia Condominium

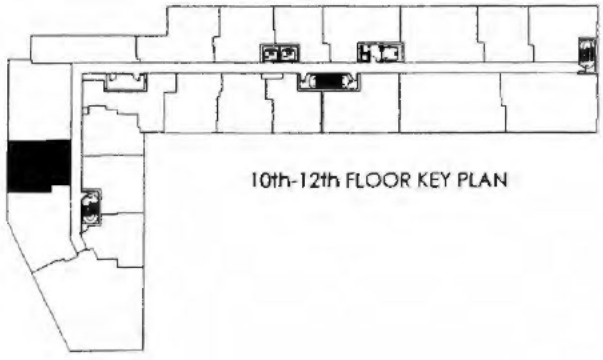
New York, New York
July 28, 2006

10th-12th Floor Plan UNIT 18 N

941 SQ. FT.
1 BEDROOM, 2 BATH, 1 ALCOVE

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN

3' 0 6' 12'

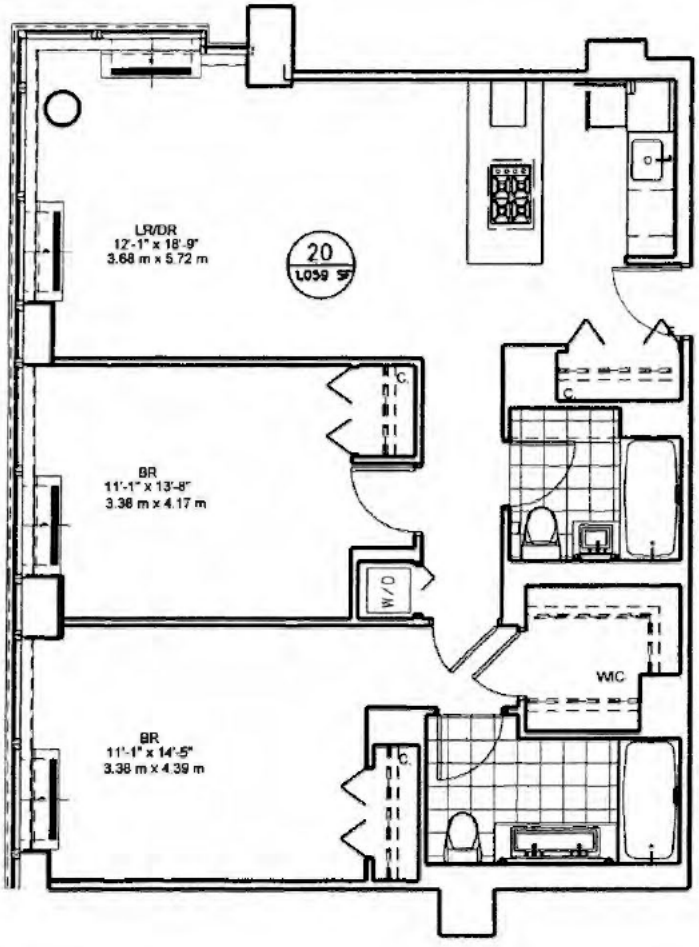
The Caledonia Condominium

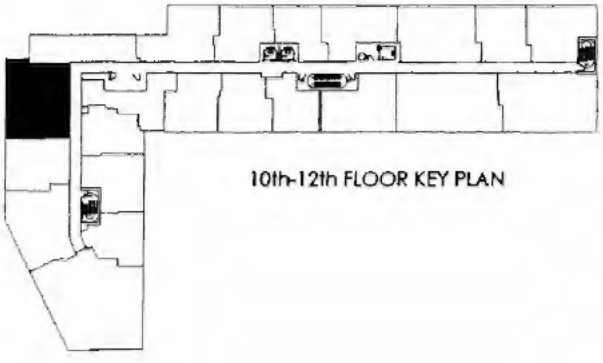
New York, New York
July 28, 2006

10th-12th Floor Plan UNIT 19 N

679 SQ. FT.
1 BEDROOM, 1 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th-12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

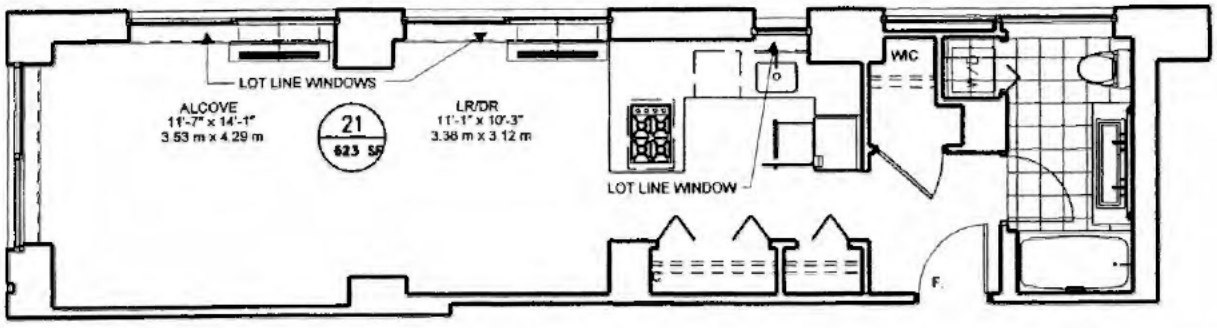
New York, New York
July 28, 2006

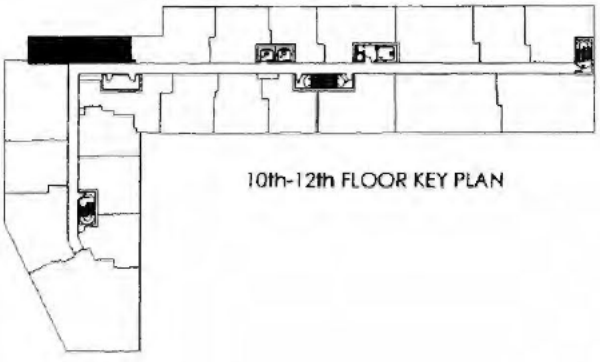
10th-12th Floor Plan UNIT 20

1059 SQ. FT.
2 BEDROOM, 2 BATH

N

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





3' 0 6' 12'

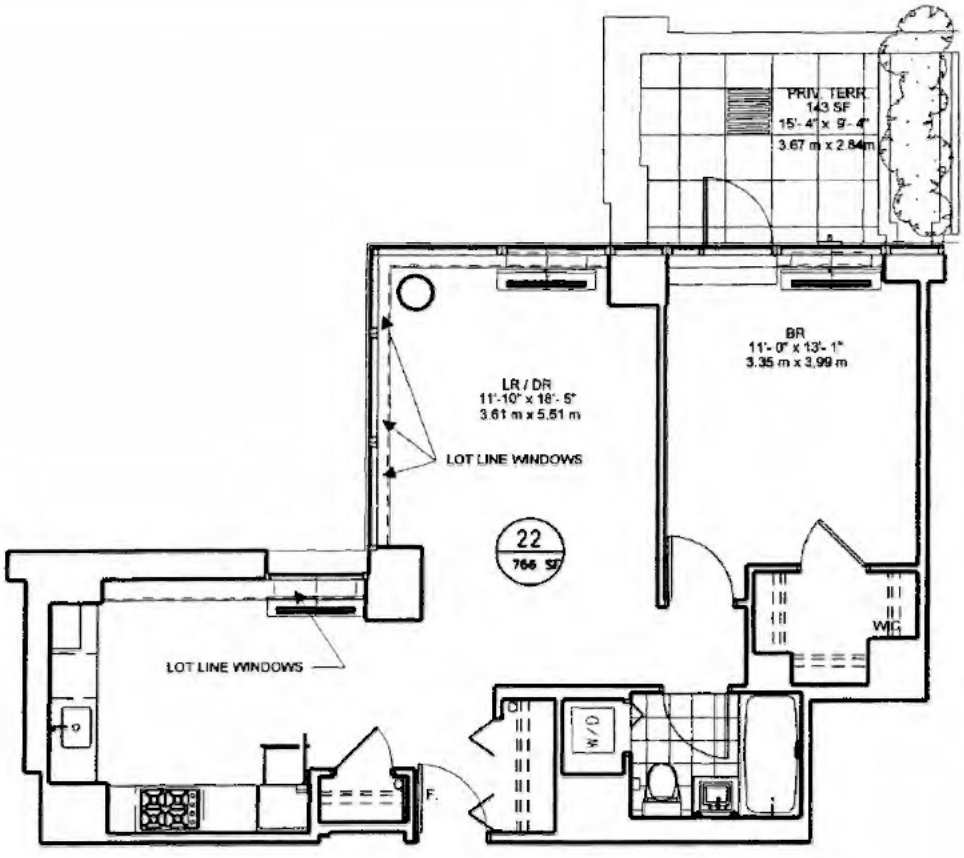
The Caledonia Condominium

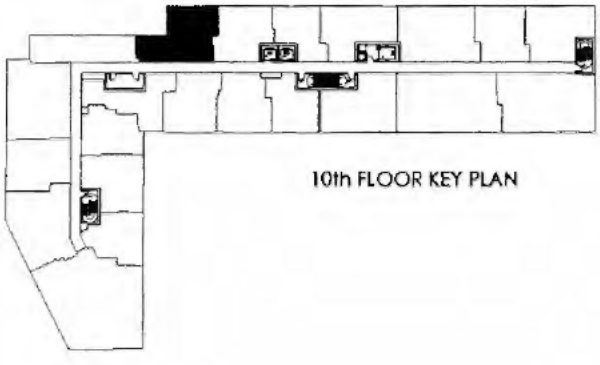
New York, New York
July 28, 2006

10th-12th Floor Plan UNIT 21 N

623 SQ. FT.
0 BEDROOM, 1 BATH, 1 ALCOVE

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.





10th FLOOR KEY PLAN

3' 0 6' 12'

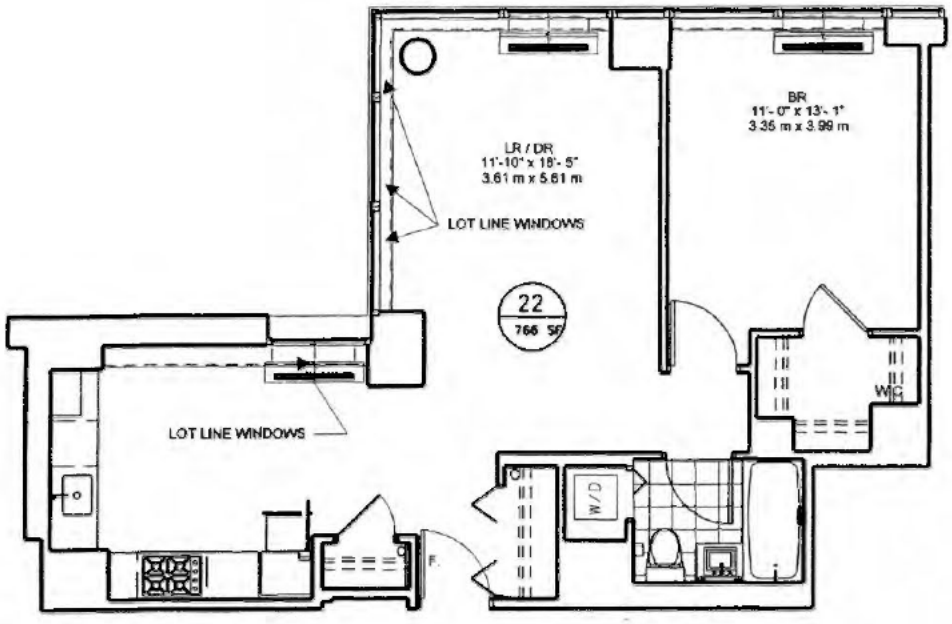
The Caledonia Condominium

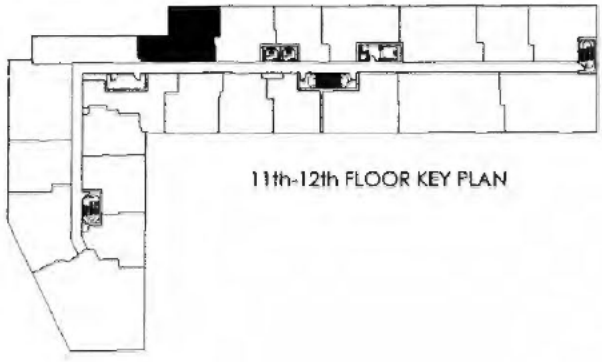
New York, New York
July 28, 2006

10th Floor Plan UNIT 22 N

766 SQ. FT.
1 BEDROOM, 1 BATH, TERRACE @ 143 sf

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11th-12th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

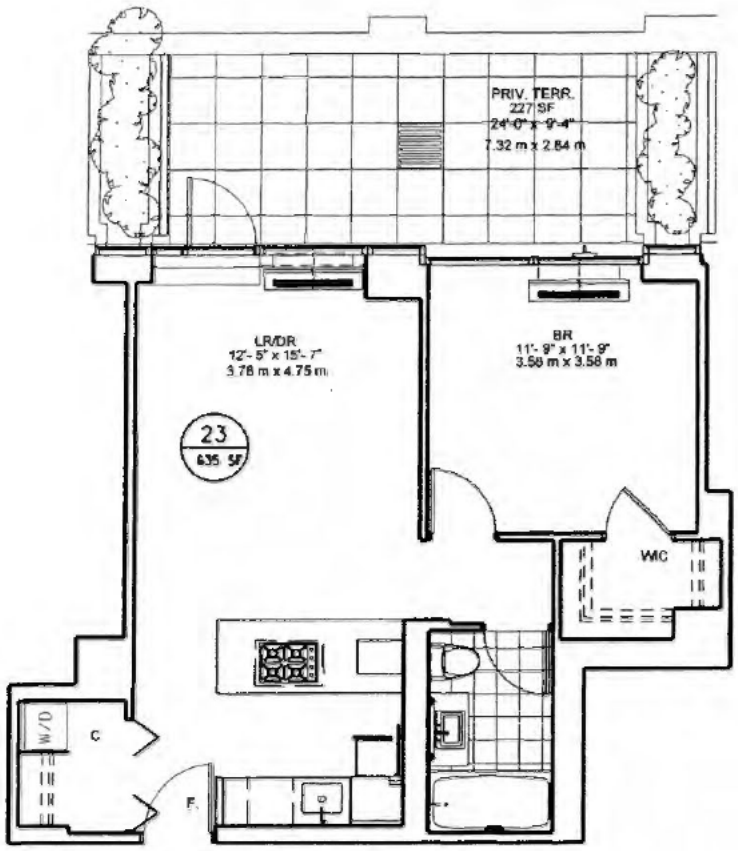
New York, New York
July 28, 2006

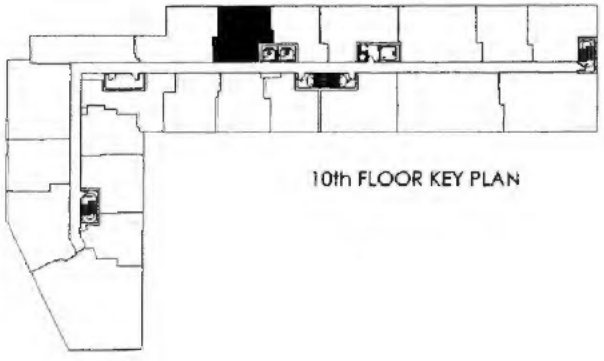
11th-12th Floor Plan UNIT 22

N

766 SQ. FT.
1 BEDROOM, 1 BATH

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10th FLOOR KEY PLAN

3' 0 6' 12'

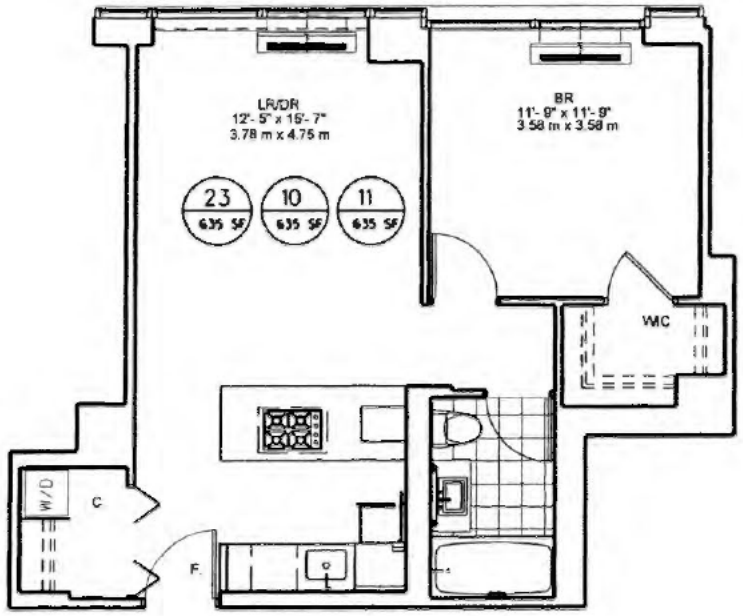
The Caledonia Condominium

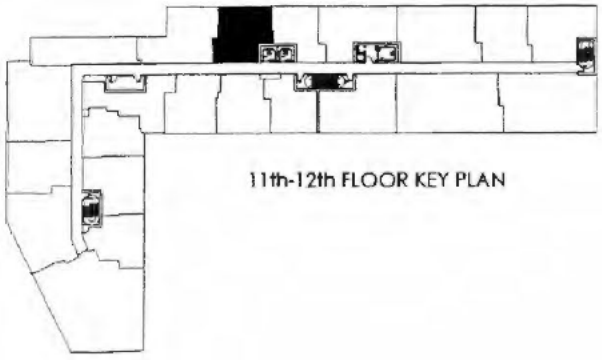
New York, New York
July 28, 2006

10th Floor Plan UNIT 23 N

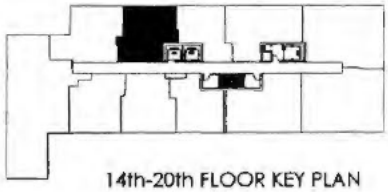
635 SQ. FT.
1 BEDROOM, 1 BATH, TERRACE @ 227 sf

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11th-12th FLOOR KEY PLAN



14th-20th FLOOR KEY PLAN

3' 0 6' 12'

The Caledonia Condominium

New York, New York
July 28, 2006

11th-12th Floor Plan UNIT 23
14th Floor Plan UNIT 10
15th-20th Floor Plan UNIT 11

N

635 SQ. FT.
1 BEDROOM, 1 BATH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

EXHIBIT "6"

CONDOMINIUM DECLARATION

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises known as
450 West 17th Street
New York, New York 10011

Pursuant to Article 9-B of the Real Property
Law of the State of New York
Name
The Caledonia
Declarant
17th and 10th Associates LLC
60 Columbus Circle
New York, New York 10023

Date of Declaration

The land affected by the within instrument lies in
Section 03, Block 714 formerly known as Lot 1,
now known as Lots ____ - ____
on the Tax Map of the Borough of Manhattan, City of New York

Stroock & Stroock & Lavan LLP
Attorneys for Declarant
180 Maiden Lane
New York, New York 10038
(212) 806-5400

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Exhibits

A. Description of the Land
B. Description of the Units
C. Definitions
D. By-Laws
E. Power of Attorney

DECLARATION
OF
THE CALEDONIA

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

17th and 10th Associates LLC, a Delaware limited liability company, having an office at 60 Columbus Circle, New York, New York 10023 ("Declarant"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a condominium to be known as "The Caledonia" (the "Condominium").

2.2 Excluded from the Property are that portion of the unused floor area development rights that are now owned, are subsequently acquired or that may become available under the Zoning Resolution of the City of New York which have not been used in the construction of the Building (the "Excess Available Development Rights") which shall be initially retained by Declarant, which Excess Available Development Rights may be utilized by Declarant or any party acquiring same from Declarant (the Development Rights Purchaser") and merged into a zoning lot pursuant to the terms a further zoning lot development agreement (the Master ZLDA"). The Excess Development Rights will not be used in violation of any Law.

2.3 Attached to this Declaration and made a part hereof are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

ARTICLE 3

THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 52,875 square feet.

ARTICLE 4

THE PROPERTY

Included in the Property described in Article 2 is a building (the "Building") consisting of five (5) Base Units consisting of one (1) Rental Unit, consisting of two hundred eighty-eight (288) Rental Apartments, the Residents' Fitness Lounge and other ancillary space, one (1) Retail Unit, one (1) Fitness Facility Unit and two (2) Garage Units, and 190 Tower Units (collectively, the "Tower Units" and individually, a "Tower Unit"). The Base Units and the Tower Units are sometimes hereinafter collectively referred to as the "Units" and individually as a "Unit." The Tower Units, together with the Tower Common Elements, the Tower Limited Common Elements, the Rental Unit, the Residential Common Elements (as hereinafter defined), and the Rental Common Elements are collectively referred to as the "Residential Section." A portion of the Base Units, consisting of the Retail Unit, the Fitness Facility Unit and the Garage Units (but not the Rental Unit), together with the Commercial Common Elements and the Base Limited Common Elements (as hereinafter defined) are collectively referred to as the "Commercial Section." The owner of a Tower Unit is herein called a "Tower Unit Owner" and all the owners of the Tower Units are herein collectively called the "Tower Unit Owners." The owner of a Base Unit at any time, or its designee, is herein called a "Base Unit Owner" and each of the owners of the Base Units shall collectively be called a "Base Unit Owner". The Tower Unit Owners and the Base Unit Owners are collectively referred to herein as the "Unit Owners" and individually as a "Unit Owner."

ARTICLE 5

THE BUILDING

The Building consists of one Class IB (Non-Combustible) building, having 24 stories above grade, not including the Mezzanine and Mechanical Penthouse. The Building is constructed of reinforced concrete supported on a mat slab foundation system. The floors in the Building are named (from bottom to top): Lower Level, Ground Floor, Mezzanine, Floors 3 through 12 and 14 through 26/Penthouse. The Base Units occupy portions of the Ground Floor, Mezzanine Level, and Floors 3 through 10. There is no Floor designated as 2 or 13 in the Building.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit designation; (ii) tax lot number; (iii) approximate location in the Building; (iv) approximate square foot area; (v) number of rooms; (vi) the percentage interest in the General Common Elements appurtenant to such Unit; (vii) the percentage interest in the Residential Common Elements appurtenant to such Unit; (viii) the percentage interest in the Tower Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by _____, and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the New York County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Tower Unit includes, and each Tower Unit Owner shall be responsible for, the front entrance door and any other entrance doors to such Unit, [windows, skylights and green house additions, if any,] flooring, wallcoverings, molding, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors and carbon monoxide detectors, all plumbing, gas and heating fixtures (including shower pans) and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors from the point at which such pipes, wiring, ductwork or conduits service other Units or the Rental Apartments. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit by a Unit Owner other than Declarant, to the extent located within a Unit and serving or benefiting only that Unit including, but not limited to, any freight elevators or freight entrances servicing the Base Units (not including electrical service which services the Rental Apartments). Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 The Base Units will include outdoor Signs for the Base Units. Base Units include, without limitation:

(i) Central and appurtenant Facilities for services such as heating, cooling venting, air-conditioning, communications, security, lighting, plumbing, electrical work, fire safety which are located within the Base Unit and exclusively serve the Base Unit (and other than those such central and appurtenant facilities for services in the Rental Apartments that would constitute a portion of a Common Element if such Rental Apartment were a Tower Unit); and

(ii) All escalators, elevators, stairs, if any, and all related Facilities exclusively serving the Base Unit not specifically designated as a General Common Element, Residential Common Element, Rental Common Element or a Tower Common Element or a Limited Common Element.

(iii) The Rental Unit, which shall include

(a) The Rental Apartments, which occupy portions of Floors 3 through 9 of the Building, all as more particularly detailed on the Condominium Floor Plans. It also includes:

(b) To the extent Declarant constructs any Storage Bins and/or Bicycle Rooms, any such rooms;

(c) The janitorial supply room located on the Lower Level;

(d) Storage, Equipment Storage and Supply Room, located on the Lower Level;

(e) The service valet room and management office on the Ground Floor; and

(f) The Residents' Fitness Lounge and Residents' Fitness Elevator.

(iv) The Garage Units;

(v) The Retail Unit; and

(vi) The Fitness Facility Unit.

In addition to the foregoing, the Base Units will include all equipment, areas and Facilities, on whatever floor of the Building they may be located to the extent that same were installed by or on behalf of a Base Unit Owner after the first conveyance of a deed to a Base Unit and any equipment, areas and Facilities which exclusively serve a Base Unit and are located within a Base Unit (except to the extent such equipment, areas and Facilities are deemed part of the Common Elements, as more particularly described in Article 8 of this Declaration). A Base Unit shall not include any of the Common Elements located therein or any Facilities, plumbing, electrical, heating, venting and air conditioning work, machinery, or other materials and equipment used exclusively by and for the Tower Units or the Tower Unit Owners.

6.4 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

DIMENSIONS OF UNITS

Each Tower Unit will be measured horizontally from the exterior side of the exterior walls and/or window system (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from the measurement of each Tower Unit) to the centerline of the partitions separating one Tower Unit from another Tower Unit, or separating one Tower Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements (as hereinafter defined); or to the Tower Unit side of the opposite exterior walls. Each Tower Unit will consist of the area measured vertically from the top of the concrete floor of the Tower Unit to the underside of the ceiling of the Tower Unit.

ARTICLE 8

COMMON ELEMENTS

8.1 The common elements of the Condominium (the "Common Elements") consist of the General Common Elements, the Commercial Common Elements, the Residential Common Elements, the Rental Common Elements, the Tower Common Elements, Commercial Common Elements and the Limited Common Elements (as hereinafter defined). The General Common Elements are defined to include the Land, all parts of the Building and improvements thereon other than the Units, the Residential Common Elements, the Tower Common Elements, the Rental Common Elements, the Commercial Common Elements and the Limited Common Elements and include those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, Maintenance or safety of the Property. The Limited Common Elements of the Condominium consist of those Common Elements that serve or benefit exclusively (a) the Tower Units or the Tower Unit Owners (in which event they are called "Tower Common Elements"), (b) one or more but not all of the Tower Units or the Tower Unit Owners (in which event they are called "Tower Limited Common Elements"), (c) one or more but not all of the Rental Apartments or the Rental Unit Owner (in which event they are called "Rental Limited Common Elements"); (d) the Base Units (other than the Rental Apartments) or the Base Unit Owners (in which event they are called "Commercial Common Elements"), or (d) in the event a Base Unit is ever subdivided, one or more but not all of the Base Units or the Base Unit Owners (in which event they are called "Base Limited Common Elements"). The General Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements. The General Common Elements are for the common use of all Unit Owners. The Common Elements do not include the Excess Available Development Rights which are being retained by the Declarant.

8.2 As used in this Declaration, the word "Facility" or "Facilities" means all equipment and facilities necessary for the operation of the Building or its systems and includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, Sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, door, railing, coping, step, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

8.3 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.4 The General Common Elements consist of the following:

8.4.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.4.2 Any of the following: all foundations, footings, columns, girders, floor slabs, unless part of a Unit or other Common Element and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections 8) from the Floor 3 floor slab and below, together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed structural members of those walls.

8.4.3 Corridors and all fire staircases, landings and stairs which are not Tower Common Elements, or Tower Limited Common Elements, Commercial Common Elements, Residential Common Elements, Rental Common Elements, and Base Limited Common Elements or part of any Unit up to and including those located on Floor 3.

8.4.4 The rooms and Facilities located as follows: meter rooms, electrical rooms, fuel oil tank room, gas meter room, pump room, boiler room, telephone room, and domestic hot water room.

8.4.5 General illumination fixtures and security systems.

8.4.6 All passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving both the Residential Section and the Commercial Section, which are not Residential Common Elements, Tower Common Elements, Tower Limited Common Elements, Rental Common Elements, Commercial Common Elements, Base Limited Common Elements, if any or part of any Unit.

8.4.7 The roofs over the top floor of the Building (except to the extent that a portion of a roof is comprised of a Residential Common Element, Rental Common Element, Commercial Common Element, Tower Common Element, or Tower Limited Common Element or Base Limited Common Element).

8.4.8 The water tower.

8.4.9 Any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of all of the Base Section and the Tower Section.

8.4.10 The High Line Amenity located on the Ground Floor, Lower Level and Floor 3.

8.4.11 The cooling tower on the roof servicing the Building.

8.4.12 All street trees, shrubbery, planters and other plantings located on the street level of the Property.

8.5 Residential Common Elements

8.5.1 The Residential Common Elements consist of any portion of the Property which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Tower Section and the Rental Section:

8.5.2 Stairways and hallways for the exclusive use of the Residential Section above the Floor 3 slab which are not Rental Common Elements or Tower Common Elements.

8.5.3 All other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits, and lines and including any electric meters and panels, electric closets, feeders, risers and Facilities, Residential Section gas meters and direct burial telephone cables) which serve or benefit exclusively the Residential Section.

8.5.4 The Residents' Fitness Elevator (including its shafts, pits, machinery and appurtenant facilities).

8.5.5 The Business Center.

8.5.6 Service elevator number 1 (including its shafts, pits, machinery and appurtenant facilities).

8.5.7 The Residential Section lobby including the Assouline Culture Lounge and Browsing Library appurtenant thereto, hallways and the entrances, and mailroom on the Ground Floor of the Building.

8.5.8 The compactor rooms and refuse chutes located on the Ground Floor.

8.5.9 Landscaped courtyard on Floor 3.

8.5.10 The mens' and womens' Residential Section staff locker rooms located on the Lower Level.

8.5.11 Resident Manager's Workshop and office located on the Lower Level.

8.5.12 The Pet Spa located on the Ground Floor.

8.5.13 The children's playroom located on Floor 3.

8.5.14 The package room located on the Ground Floor.

8.5.15 That portion of the Exterior Façade above the Floor 3 slab and the Façade enclosing any Residential Common Element.

8.5.16 All corridors and all fire staircases, landings and stairs starting above the Floor 3 floor slab and through the main roof.

8.5.17 The windows in the Residential Section.

8.5.18 Kitchen, bathroom and dryer exhaust ducts (if any), corridor and Residential Section supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting exclusively the Residential Section, to the extent same are not a portion of any Tower Common Element or Rental Common Element.

8.5.19 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Residential Section to the extent that the same are not owned by a third party and to the extent same are not a portion of any Tower Common Element or Rental Common Element.

8.5.20 Any of the following: all columns, girders, floor slabs and ceilings, beams, and supports, exterior walls and load bearing interior walls (including those within each Unit exclusive of sheet rock or plaster coats or any wall coverings or decorations thereon) and interior load bearing walls from above the slab over Floor 3 of the Building to the roof (except as otherwise provided in Section 8).

8.5.21 Residential Section electric meters and panels, electric closets, feeders, risers and Facilities, Residential Section gas meter and direct burial telephone cables serving exclusively the Residential Section, to the extent same are not a Tower Common Element or Rental Common Element.

8.5.22 The fireplace flue servicing the Residential Section.

8.6 The Tower Common Elements consist of the following:

8.6.1 The electric meters and panels, electric closets, feeders, risers and Facilities, gas meter and direct burial telephone cables serving exclusively the Tower Section.

8.6.2 Kitchen, bathroom and dryer exhaust ducts (if any), corridor and Tower Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting exclusively the Tower Section.

8.6.3 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Tower Section to the extent that the same are not owned by a third party.

8.6.4 The rooms and Facilities located as follows: passenger elevator number C1 and passenger elevator number C2, and (including their shafts, pits, machinery and appurtenant facilities), the Tower Section mechanical equipment rooms and areas and the elevator machine rooms located on the roof.

8.6.5 The recreational area on Floor 14 of the Building, which consists of an entertainment lounge, sundeck, outdoor garden.

8.6.6 All passages, hallways located on Floors 10-26 and PH, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Tower Units, Tower Limited Common Elements or part of the Base Units, Commercial Common Elements, Base Limited Common Elements, or General Common Elements.

8.6.7 All other Facilities exclusively serving the Tower Section, excluding the Tower Units, the Tower Limited Common Elements, the Rental Common Elements, the Commercial Common Elements, the Base Limited Common Elements and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Tower Section.

8.6.8 Notwithstanding anything to the contrary in this Article 8, if a Tower Common Element benefits only certain Tower Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto shall be borne solely by those Tower Unit Owners who benefit from the Tower Common Element in the proportion that the Common Interest of each benefiting Tower Unit Owner bears to the Tower Common Interests of all benefiting Tower Unit Owners. In addition, except as otherwise provided in Subsection 6.9.2.1 of the By-Laws, such Tower Unit Owners shall be responsible for the normal operation and Maintenance of any such Tower Common Element at their sole cost and expense.

8.7 The Tower Limited Common Elements consist of the following:

8.7.1 The Terrace and/or Balcony to which one or more Tower Units have access as set forth in Exhibit B annexed hereto. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, where a Terrace and/or Balcony is a Tower

Limited Common Element appurtenant to a Tower Unit, the Tower Unit Owner thereof shall have the exclusive right to use such Terrace and/or Balcony subject to rights of the Condominium Board to regulate its use and to aceess the Terrace and/or Balcony for maintenance, repair and replacement and other uses.

8.7.2 That portion of equipment, fixtures or Facilities serving or benefiting one Tower Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Tower Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Tower Unit Owner who is so served or benefited by such Tower Limited Common Element shall have the exclusive right to use such Tower Limited Common Element and shall be responsible for its normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.7.3 All other Facilities exclusively serving one or more but not all Tower Units, excluding the Tower Units, the Tower Common Elements, the Rental Common Elements, the Commercial Common Elements, the Base Limited Common Elements and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Tower Units.

8.8 The Commercial Common Elements consist of the following:

8.8.1 That portion of the exterior façade of the Building designated as Commercial Façade on the Elevations including, without limitation, all windows, storefronts, skylights, door assemblies and related and similar installations in the Exterior Façade of the Building exclusively opening into the Base Units (other than those portions that are Residential Common Elements or Rental Common Element).

8.8.2 Central and appurtenant Facilities for services such as heating, cooling venting, air-conditioning, communications, security, lighting, plumbing, electrical work, fire safety which exclusively serve a Base Unit but are not located within a Base Unit (other than those portions that are Residential Common Elements or Rental Common Elements).

8.8.3 All Signs, canopies, marquees and similar items affixed to the Building and exclusively serving a Base Unit (other than those portions that are Residential Common Elements or Rental Common Elements).

8.8.4 All other Common Elements exclusively serving a Base Unit (other than those portions that are Residential Common Elements or Rental Common Elements).

8.8.5 Stairways for the exclusive use of a Base Unit (other than those portions that are Rental Common Elements or Residential Common Elements).

8.8.6 All other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits, and lines) which serve or benefit exclusively a Base Unit or a Base Unit Owner (other than those portions that are Residential Common Elements or Rental Common Elements).

8.8.7 Any passenger elevator or elevators exclusively servicing a Base Unit (including their shafts, pits, machinery and appurtenant facilities) (other than those portions that are Residential Common Elements or Rental Common Elements).

8.9 Base Limited Common Elements

The Base Limited Common Elements consist of any portion of the Property other than the Base Unit, the Commercial Common Elements, the Tower Common Elements, the Tower Limited Common Elements, the Rental Common Elements, and the General Common Elements, which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of one or more but not all Base Units.

8.10 Rental Common Elements

8.10.1 The Rental Common Elements consist of any portion of the Property which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Rental Section:

8.10.2 Terraces and/or Balconies appurtenant to certain Rental Apartments.

8.10.3 The electric meters and panels, electric closets, feeders, risers and Facilities, gas meter and direct burial telephone cables serving exclusively the Rental Section.

8.10.4 Kitchen, bathroom and dryer exhaust ducts (if any), corridor and Rental Apartment supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting exclusively the Rental Section.

8.10.5 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Rental Section to the extent that the same are not owned by a third party.

8.10.6 Passenger elevator number R1, R2, R3 and R4 (including their shafts, pits, machinery and appurtenant facilities).

8.10.7 Passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Rental Section.

8.10.8 Rental Party Room and Terrace on Floor 10.

ARTICLE 9
USE OF BUILDING AND UNITS

9.1 Except as more particularly set forth in this Declaration or the By-Laws, Tower Units may be used for residential purposes only, but not more than one family may occupy a Tower Unit at one time. A Tower Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any

embassy, consulate, or other instrumentality thereof,) may only be occupied (unless the Condominium Board otherwise consents) by said individual, or an officer, director, stockholder or employee of such corporation, or a partner or employee of such partnership, or said fiduciary or (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or the beneficiary of said fiduciary, or a principal or employee of such other entity, respectively, or members of the immediate family, guests or domestic employees of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Tower Unit by such family members, guests or domestic employees). Any Tower Unit may be used for professional purposes, or for any other lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Tower Unit, (2) applicable Law, (3) the use of such Tower Unit not adversely affecting the use and enjoyment of neighboring or adjacent Tower Units for residential purposes, (4) compliance with the By-Laws and (5) the prior written permission of the Condominium Board, which permission shall in no event be granted unless the Condominium Board affirmatively finds that the conditions in (1) through (3) above have been met. An home office use hereunder shall only be accessory to the residential use of the Tower Unit. No clients or business invitees shall be permitted to visit a home office and no Signs shall be allowed in connection with the home office. Tower Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may, without the permission of the Condominium Board, (1) grant permission for the use of any Unsold Tower Unit (as defined in Exhibit C) owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for such Tower Unit or any other governmental regulations and (2) use any Unsold Tower Units owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable Law.

9.3 As more particularly set forth in the By-Laws a Tower Unit may be used for any lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Tower Unit, (2) applicable Law, and (3) the use of such Tower Unit not adversely affecting the use and enjoyment of neighboring or adjacent Tower Units for residential purposes. Tower Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.4 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may without the permission of the Condominium Board, (1) grant permission for the use of any Unsold Tower Unit (as defined in Exhibit C) owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for such Tower Unit or any other governmental regulations and (2) use any Unsold Tower Units owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable Law.

9.5 The Base Units may be used for any lawful purposes, including, without limitation, residential, garage, department and other retail stores and outlets, storage, theaters, banks, restaurants and commercial and professional offices and studios.

ARTICLE 10

CHANGES IN THE RESIDENTIAL SECTION

Except to the extent prohibited by Law, Declarant or its designee shall have the right, without the vote or consent of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Tower Units; (b) change the use (subject to Section 9.2 above) or layout of, or number of rooms in, any Unsold Tower Units from time to time; (c) change the size and/or number of Unsold Tower Units by subdividing one or more Unsold Tower Units into two or more separate Units, combining separate Unsold Tower Units (including those resulting from such subdivision or otherwise) into one or more Tower Units, converting a Tower Unit or any portion thereof to a Residential Common Element, a Tower Common Element, a Tower Limited Common Element, a Rental Common Element, a Base Unit, a Commercial Common Element or a Base Limited Common Element, altering the boundary walls between any Unsold Tower Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the resident(s) of such Unsold Tower Unit) which exclusively benefit an Unsold Tower Unit into such Unit; (d) designate a Unit or a Common Element as part of a newly created or expanded Unit or Common Element; if appropriate, reapportion among the Unsold Tower Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Tower Units (other than Unsold Tower Units) shall not be changed by reason thereof unless the owners of such Tower Units shall consent thereto; (ii) Declarant or its designee shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom. By written permission of the Condominium Board, which permission, shall not be unreasonably withheld, any other Tower Unit Owner may be given, with respect to his Tower Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Tower Units, including, without limitation, the right to combine, subdivide and/or otherwise reconfigure two or more adjacent Tower Units owned by such Tower Unit Owner. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Tower Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the Managing Agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Tower Unit, and (ii) by the Managing Agent or any other person reasonably acceptable to the Condominium Board in the case of any other Tower Unit.

Declarant or the owner of any Unsold Tower Unit will have the right, without the consent of any other Unit Owner or Board to amend the Declaration and By-Laws to reflect the foregoing changes. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or the owner of any Unsold Tower Unit.

ARTICLE 11

CHANGES IN THE BASE SECTION

Except to the extent inconsistent with Article 15 or the By-Laws or prohibited by Law, the Base Unit Owners shall have the right, without the vote or consent of the Condominium Board, other Unit Owners or Mortgage Representatives, if any, to: (1) decorate or make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Rental Common Elements, Commercial Common Elements and/or the Base Limited Common Elements, if any; (2) change the layout or number of rooms in a Base Unit from time to time; (3) change a Base Unit, by subdividing the same, into any desired number of Rental Apartments, residential condominiums, commercial condominium units or residential condominium units, combining any units resulting from a subdivision, altering the boundary walls between the Base Units, or otherwise; (4) designate a Unit or a Common Element as part of a newly created or expanded condominium unit or designate all or part of a Base Unit as a newly created or expanded Tower Unit, Tower Common Element, Residential Common Element, Rental Common Element, Commercial Common Element, Base Limited Common Element or Tower Limited Common Element; (5) reapportion among the newly created or expanded Base Unit and/or Tower Units resulting from any subdivision, combination or otherwise their percentage interests in the Common Elements which shall be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, and provided that in no case may such reapportionment result in a greater percentage of Common Interest for the total of the new Base Unit and/or Tower Units than existed for the original Base Units; and (6) change, alter or modify the facade or portion of the exterior wall appurtenant to a Base Unit provided, however, that the percentage interest in the Common Elements of any portion of any Base Unit owned by another Base Unit Owner (in the event of any subdivision of a Base Unit) or of any Tower Unit shall not be changed by reason thereof unless the owner of such Unit shall consent thereto, and the Base Unit Owner shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

ARTICLE 12

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium, the Residential Section or the Base Section.

ARTICLE 13

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

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

13.2 The percentage interest of each Tower Unit and Rental Apartment in the Residential Common Elements refers to the proportionate undivided interest, expressed as a numerical percentage appurtenant to each of the Tower Units and the Rental Apartments and which is the basis of determining a Unit Owner's liability for a share of the Residential Common Expenses.

13.3 The percentage interest of each Tower Unit in the Tower Common Elements refers to the proportionate undivided interest, expressed as a numerical percentage which is apportioned in the same proportion that the General Common Interest of such Tower Unit bears to the aggregate General Common Interests of all Tower Units and which is the basis of determining a Tower Unit Owner's liability for a share of the Tower Common Expenses.

13.4 For purposes of the allocation of General Common Interest, parking spaces located above grade as well as any portion of any Base Unit (including the Garage Units) located below grade have been discounted seventy percent (70%).

ARTICLE 14

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or the owner of an Unsold Tower Unit or the Base Unit Owners in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the Maintenance of the same as long as the Building shall stand.

ARTICLE 15

NAME OF CONDOMINIUM AND BUILDING

The Condominium and the Building shall be designated and known as "The Caledonia." Declarant and Declarant's assignee shall own and control all rights and interests, including the right to apply for any state trademark and prosecute to registration any federal trademark applications, and shall be responsible for all obligations and liabilities, including those in furtherance of protecting, policing and maintaining any applicable trademark rights, which may include litigating against those whom Declarant believes may be infringing Declarant's rights in and to the name of the Condominium and Building, appurtenant to the name of the Condominium and/or the Building. Only Declarant shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Declarant shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Declarant as the sponsor of the condominium offering, together with such other information as Declarant determines in its sole discretion.

ARTICLE 16

EASEMENTS AND RIGHTS OF ACCESS

16.1 Except as set forth in this Declaration, (i) each Unit Owner will have, in common with all other Unit Owners and each Unit will be subject to, an easement for the use of the General Common Elements and any Facilities located therein, including, but not limited to, such easement as will be necessary to Maintain, such Unit Owner's Unit and an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, steam and ventilation, (ii) each Tower Unit Owner will have, in common with all other Tower Unit Owners, an easement for the use of the Tower Common Elements and Residential Common Elements and any Facilities located therein (wherever located in the Building), including, but not limited to, such easement as will be necessary to operate, Maintain as necessary, such Tower Unit Owner's Unit and (iii) each Tower Unit Owner will have, in common with all Residential Permitted Users, an easement for the use of the Residential Common Elements and any Facilities located therein (wherever located in the Building), including, but not limited to, such easement as will be necessary to operate, Maintain as necessary, such Residential Common Elements and (iv) the Base Unit Owners will an easement for the use of the Commercial Common Elements, and the Rental Common Elements and those Base Limited Common Elements appurtenant to such Base Unit, if any, the Residential Common Elements and any Facilities located therein (wherever located in the Building), including, but not limited to, such easement as will be necessary to operate, Maintain such Base Unit Owner's Unit. The Base Section and the Tower Section will be subject to such easements.

16.2 The Condominium Board, with respect to the General Common Elements, the Tower Common Elements and the Tower Limited Common Elements, the Residential Common Elements, the Rental Common Elements, and the Commercial Common Elements and the Base Limited Common Elements or their respective agents, to the extent the Condominium Board is permitted to act by the By-Laws for such purposes, will have a right of access to each Unit to

inspect the same, to remove violations therefrom and to Maintain the Common Elements contained therein or elsewhere in the Property.

16.3 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Tower Section, and the Base Section as the case may be, and for the use of any Common Element, to the extent necessitated by an Emergency including but not limited to an easement by the Base Unit Owners for Emergency access through and over the fire stairs in the Building. The Tower Section and the Base Section shall be subject to such easement.

16.4 The Condominium Board shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the General Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to Maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements.

16.5 The Condominium Board shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the Residential Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to Maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Residential Common Elements.

16.6 The Condominium Board shall have and each Tower Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the Tower Common Elements and the Tower Limited Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Tower Units, the Tower Common Elements; or the Tower Limited Common Elements.

16.7 The Base Unit Owners shall have, (in common with any other Base Unit Owners if any), and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the Commercial Common Elements, the Rental Common elements or the Base Limited Common Elements, if any, appurtenant to such Base Units located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of any Base Unit, Rental Common Element, Commercial Common Elements or the Base Limited Common Elements, if any.

16.8 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

16.9 Declarant or its designee and the Base Unit Owners and their respective successors and assigns shall, to the extent permitted by Law, have an easement to erect, operate and Maintain from time to time, one or more Signs on the Property for the purposes of advertising (i) the sale or lease of any Unsold Tower Unit, the sale or lease of all or any portion

of the Base Units and (ii) the operation of any business of Declarant, a tenant, resident, managing agent or operator of all or any portion of any Base Unit or of any Unsold Tower Units, as the case may be, provided such Signs are in keeping with the character of the Building. Declarant shall have an easement to utilize the Common Elements of the Building in connection with its sales and leasing efforts relative to the Unsold Tower Units. Declarant and the Base Unit Owners will have an easement and the right to change the facade of the Building and alter, replace, restore, renovate, remodel and reconstruct the existing facade of the Building through to the extent the façade is a Common Element appurtenant to Declarant's or the Base Unit Owner's respective portion of the Building, provided that such penetration does not materially weaken the structural soundness of the Building.

16.10 Declarant and the Base Unit Owners have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by Law.

16.11 Declarant or its respective designee and the Condominium Board with respect to the Tower Section, the Base Section and the Property, shall have the right to grant such additional electric, gas, telephone, internet, cable, television, steam, ventilation or other easements for utilities, communications, access or other easements and to construct any shafts, flues or install an air conditioning compressors or other equipment on the roof or relocate any easements in any portion of the Residential Section, the Base Section or the Property, as the case may be, as Declarant or its designee, the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and Maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan or for the general health or welfare of the owners, tenants and residents of the appropriate Units, provided that the Condominium Board shall not grant such additional easements within the Base Units without the consent of the Base Unit Owners and provided further that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business of the tenants and residents of the Base Units or with the use of the Tower Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any company providing the utilities or services and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of the aforementioned easements to in order to install, operate, Maintain and service same, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants and residents of the Base Units or with the use of the Tower Units for their permitted purposes.

16.12 Declarant and the owner of any Unsold Tower Unit or the Base Unit Owners, and their respective assignees and licensees shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate and Maintain satellite dishes and similar equipment on the roofs and facade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto, other than those portions of the roof which constitute Tower Common Elements or Tower Limited Common Elements and to retain any and all income derived therefrom, and (b) to maintain any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation or Maintenance, repair, alteration, rebuilding, restoration or replacement thereof. Declarant and the Base Unit Owners shall be entitled to assign, lease, license or otherwise transfer its rights with respect to the foregoing easements and the Condominium shall not be entitled to any portion of

fees, compensation or other profits received by Declarant, its designees, assignees or licensees for the use of the aforesaid easements or equipment. Any satellite dishes, equipment or other facilities placed upon the roof and the facade of the Building and elsewhere on the Common Elements by Declarant, the Base Unit Owners, their respective designees, assignees, tenants, licensees or transferees and shall be the exclusive property of Declarant, the Base Unit Owners, their respective designees, assignees tenants, licensees or transferees and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Notwithstanding the foregoing, additional utilities or the relocation of existing utilities cannot be installed in the Base Units without the consent of the Base Unit Owners.

16.13 Declarant and the Base Unit Owners have an easement over all portions of the Building to complete construction thereof and to otherwise comply with their obligations under the Plan, if any.

16.14 Any easements granted to Declarant, the Condominium Board, any Unit or any Unit Owner or other party under this Declaration and the By-Laws may be exercised by such Unit Owner's employees, agents, contractors, suppliers, utility providers, service providers, customers, guests, invitees, licensees, servants, subtenants, members, and visitors, members, tenants and/or tenant-shareholders, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by Declarant, the Unit Owner or Board, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants and residents of the Base Units or with the use of the Tower Units for their permitted purposes.

16.15 Any easements or rights of access granted hereunder will be exercised, to the extent practicable, in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and residents of the Base Section or with the use of the Tower Units for their permitted purposes. Any Maintenance performed in accordance with the provisions of this Article 16 in or to any Base Units will be performed outside normal business hours (i) if failure to do so would cause unreasonable interference with the use and occupancy of the applicable Base Unit, or (ii) if otherwise reasonably requested by the Base Unit Owner. Any additional costs and expenses incurred as a result of such work being done outside of normal business hours will be borne by the Unit Owner whose Unit was accessed. Except as otherwise expressly provided in this Declaration or in the By-Laws, entries to General Common Elements, Residential Common Elements, Tower Common Elements, Rental Common Elements, Commercial Common Elements or Limited Common Elements which must be accessed through a Base Unit will be permitted on not less than three (3) business days' notice to the Base Unit Owner thereof and entries to General Common Elements or Limited Common Elements or Residential Common Elements which must be accessed through a Tower Unit will be permitted on not less than one (1) business days' notice to the Tower Unit Owner thereof. Notwithstanding the foregoing, only such notice as may be practical under the circumstances will be necessary in the case of an Emergency, provided that thereafter the Condominium Board will give notice to the affected Unit Owner as promptly as is practical under the circumstances.

ARTICLE 17

POWER OF ATTORNEY

17.1 Each Tower Unit Owner shall grant to the Condominium Board an irrevocable power of attorney, coupled with an interest (annexed as Exhibit E to this Declaration or otherwise in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Tower Unit Owners (a) to acquire or lease any Tower Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Tower Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Tower Unit so acquired, or to sublease any Tower Unit so leased, without the necessity of further authorization by the Tower Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Tower Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument (i) as regards the Condominium Board, affecting the Common Elements or the entire Property or (ii) as regards the Condominium Board, affecting the entire Residential Section which the Condominium Board deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the Property or the Residential Section, respectively, or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Units or the Common Elements which the Condominium Board deems necessary or appropriate.

17.2 Each Unit Owner shall grant to Declarant and Sponsor a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to Declarant under the Declaration and By-Laws and the Plan including the power to execute the Required Documentation and to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot (the "Merger") for the purpose of transferring to or from Declarant, or its successors or assigns, all or any portion of the Excess Available Development Rights.

ARTICLE 18

ACQUISITION OF UNITS BY BOARD

18.1 If (a) any Tower Unit Owner surrenders such Unit Owner's Unit, together with (i) the undivided interest in the Tower Common Elements and Tower Limited Common Elements, Residential Common Elements and General Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale

or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to Article 8 of the By-Laws, acquires or leases a Tower Unit or Base Unit, together with the Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, a Tower Unit or a Base Unit, together with the Appurtenant Interests, then, in any such event, title to any such Tower Unit or Base Unit, together with the Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to its respective interests in the General Common Elements. The lease or sublease covering any Tower Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to its respective interest in the General Common Elements.

18.2 If (a) a Base Unit Owner surrenders a Base Unit or any portion thereof, together with (i) the undivided interest in the Common Elements (including the Residential Common Elements) and (ii) the interest of the Base Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners if any, (such interests in (i) and (ii) being hereinafter collectively called the "Appurtenant Base Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act, (b) the Condominium Board, pursuant to this Declaration and/or the By-Laws, acquires or leases all or a portion of any Base Unit, together with its Appurtenant Base Interest, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, all or a portion of any Base Unit, together with its Appurtenant Base Interest, then, in any such event, title to all or any such portion of such Base Unit, together with its Appurtenant Base Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of the Base Unit Owner thereof, in proportion to their respective interests in the General Common Elements. The lease or sublease covering all or any portion of a Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of the Base Unit Owner thereof in proportion to its respective interests in the General Common Elements.

18.3 The Condominium Board shall have the authority to purchase, on behalf of all Unit Owners, an apartment to be used as the residence of the Resident Manager of the Building and, in such event, title to all or any such portion of the apartment, together with its Appurtenant Residential Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the General Common Elements.

18.4 No Unit held by the Condominium Board shall carry any voting rights.

ARTICLE 19

COVENANTS RUNNING WITH THE LAND

19.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of

this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and such Unit Owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public or any other third party. All present and future owners, tenants, subtenants, licensees, and other residents of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or resident, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

19.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

19.3 Subject to Section 19.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 20

AMENDMENTS OF DECLARATION

20.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Tower Units, or any Base Unit or any Base Unit Owner (a) any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in General Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; (b) any provision of this Declaration benefiting, protecting or otherwise affecting only the Tower Unit Owners may be added to, amended, modified or deleted by vote of at least 66-2/3% in number and in Common Interest of all Tower Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Tower Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected; (c) any provision of this Declaration benefiting, protecting or otherwise affecting only the Base Units or the Base Unit Owners may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of the Base Unit Owners taken in accordance with the provisions of the By-Laws, provided, however, that the Common Interest appurtenant to any Base Unit shall not be altered without the written consent of all Unit Owners directly affected; and (d) any provision of this Declaration benefiting, protecting or otherwise affecting only the Residential Section may be added to, amended, modified or deleted by vote of at least 66-2/3% in number and in Residential Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Residential Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected; and (e) any provision of this Declaration benefiting, protecting or otherwise affecting only the General Common Elements may be added to, amended, modified or deleted by vote of at least 66-2/3% in number and in General Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the General Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Tower Units, or any Base Unit or any Base Unit Owner, no amendment, modification, addition or deletion pursuant to the provisions of clauses (a) and (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives (as defined in the By-Laws), if any. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Tower Units, or any Base Unit or any Base Unit Owner, any such amendment, modification, addition or deletion shall be executed by either (1) the Condominium Board as attorney-in-fact for the Unit Owners, the Tower Unit Owners, and the Base Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by the Unit Owners so to act as their attorney-in-fact. Notwithstanding anything to the contrary set forth above, to the extent that the Base Unit Owners have the right under this Declaration or the By-Laws to amend the Declaration without the consent of any other Unit Owner or Board, then such Unit Owner is authorized to execute such amendment.

20.2 If the number of rooms in an Unsold Tower Unit is changed, or the use, size and/or number of Unsold Tower Units is changed (whether as a result of a subdivision or combination of Unsold Tower Units or alteration of boundary walls between Unsold Tower Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Tower Unit or in the use, size and/or number of Unsold Tower Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Condominium Board, the Unit Owners or the Mortgage Representatives, if any. In addition, if any Tower Unit Owner other than Declarant or its designee causing such changes is given the right by the Condominium Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Tower Unit or Tower Units, all in accordance with Article 10 hereof, then such Tower Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board to reflect the changes made by the Tower Unit Owner, all without the approval of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.3 If (a) the number of rooms in any Base Unit or the size of any Base Unit is changed and the percentage interest in the Common Elements appurtenant to such Base Unit belonging to the Owner causing such change is reapportioned among any newly created or expanded condominium units resulting from any subdivision of a Base Unit, any combining of any Base Units or of any units resulting from a subdivision, any alteration of the boundary walls between condominium units, or otherwise, or (b) a Commercial Common Element or Base Limited Common Element is designated as part of a newly created or expanded condominium unit or all or part of a Base Unit is designated as a newly created or expanded Commercial Common Element, Rental Common Element or Base Limited Common Element, all in accordance with Article 11 hereof, then the Condominium Board (or the Base Unit Owner causing such changes) shall have the right to execute, or (upon request) to require any other Board or Unit Owner to execute, and record in the City Register's Office, and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as (the Base Unit Owners or) the Condominium Board deems appropriate to effectuate the same) reflecting (i) such change in the number of rooms in or size of any Base Unit, the subdivision of any Base Unit into separate condominium units, the combination of any Base Unit or of any newly created or expanded condominium units resulting from a subdivision, the alteration of boundary walls between condominium units, or otherwise, and the reapportionment of the percentage interests in the Common Elements among such newly created or expanded condominium units or (ii) such designation of a Commercial Common Element, Rental Common Element or Base Limited Common Element as part of a newly created or expanded

condominium unit or such designation of part of any Base Unit as a newly created or expanded Commercial Common Element or Base Limited Common Element, all without the approval of the Condominium Board, the Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.4 Notwithstanding anything to the contrary set forth above (i) no amendment, modification, addition or deletion of the Declaration shall be effective in any way, (a) without the prior written consent of the affected Base Unit Owner(s) with respect to any amendment, modification, addition or deletion of or to the modifying the permitted uses of any Base Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Base Unit Owner and (ii) without the prior written consent of Declarant or its designee or the owner of any Unsold Tower Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to the Declaration modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Tower Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Tower Unit, as the case may be. Amendments, modifications, additions or deletions of or to this Declaration, the By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Base Units or with the subdivision, combination or alteration of the Base Units, or of any newly created or expanded condominium units and/or the offering for sale or lease of all or any portion of any Base Unit and in connection therewith the Condominium Board, (or, when permitted, the Base Unit Owners) will cause this Declaration, the By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provision thereof may be similar or dissimilar to those affecting the Tower Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Tower Unit Owners, the Condominium Board shall be the attorney-in-fact for the Tower Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion. Notwithstanding anything to the contrary set forth above, Declarant and the Base Unit Owners shall have the right to amend the Declaration, without the consent of the Condominium Board or any other Unit Owner, to effectuate the rights otherwise granted to Declarant and the Base Unit Owners under the terms of this Declaration and the By-Laws.

20.5 Notwithstanding anything to the contrary set forth above, to the extent that the Base Unit Owners have the right under this Declaration or the By-Laws to amend the Declaration without the consent of any other Unit Owner or Board, the Declaration and By-Laws may be amended to provide for the creation and operation of a separate section of the Condominium with its own rules of operation and its own board of managers (a "Resultant Board") elected by and representing the resultant subdivided units (the "Resultant Units") and any consents, approvals, determinations or actions required to be made by the Unit Owner so subdividing shall be made by the Resultant Board on behalf of the owners of the Resultant Units in accordance with the terms of this Declaration and the By-Laws, as so amended.

20.6 The provisions of Sections 20.1 and 20.2 and this Section 20.6 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or

its designee, and the provisions of Sections 20.1, 20.3, and 20.4, 20.5 and this Section 20.6, may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Condominium Board. Notwithstanding the foregoing, Declarant may amend the Condominium Declaration to correct or supplement any mathematical mistakes, inconsistencies or scrivener errors.

ARTICLE 21

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least eighty percent (80%) in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant and the owner of any Unsold Tower Units have conveyed title to all Tower Units, provided that in no event shall Declarant's consent be required more than five (5) years after the date fee title to a Tower Unit is first conveyed to a purchaser by Declarant or its designees pursuant to an offering plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective General Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 22

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 24

CERTAIN REFERENCES

24.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

24.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

24.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 25

SEVERABILITY

Subject to the provisions of Sections 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 26

COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, a resident of a Unit, a member or officer of the Condominium Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. Without intending to limit the generality of the foregoing, the Condominium Board and each Unit Owner shall be required, upon the request of Declarant or the Development Rights Purchaser, to execute and deliver any documents or applications reasonably required in connection with any Merger, any declaration of zoning lot restrictions, the ZLDA, the transfer of the Excess Available Development Rights to the Development Rights Purchaser, any and all Brownfields Agreements and any and all agreements pertaining to the High Line Restrictive Declaration and Access Easement or the High Line Amenity.

26.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within ten (10) days after request therefor, to execute, acknowledge or deliver

any instrument, or to take any action which such Unit Owner or party is required to perform, execute, acknowledge and deliver or to take pursuant to this Declaration, then the Condominium Board, is hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to perform, execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

26.3 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within ten (10) days after request therefor, to perform, execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to perform, execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant or its designee, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to perform, execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

26.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by law, Declarant and the Base Unit Owners specifically disclaim all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by law, including implied or express warranties of any kind or character, the same are specifically disclaimed. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to view or light quality. The sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable codes and files plans and specifications, and any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control. Declarant has not given and no Board has not relied on or bargained for any such warranties. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise).

ARTICLE 27

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Tower Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Base Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Base Unit Owners. Subject to the foregoing, Declarant, its designee, and/or the Base Unit Owners, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 28

CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Units.

ARTICLE 29

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ___ day of _____, 200_.

450 WEST 17TH ASSOCIATES LLC

_____

Name:
Title:

ACKNOWLEDGMENTS

EXHIBIT A

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

Lot 1

BEGINNING at a point on the easterly side of 10th Avenue, at a point distant 23 feet 3 inches southerly from the corner formed by the intersection of the southerly side of West 17th Street and the easterly side of 10th Avenue;

RUNNING THENCE easterly parallel with West 17th Street 100 feet to a point;

THENCE northerly parallel with 10th Avenue, 23 feet 3 inches to the southerly side of West 17th Street;

THENCE easterly along the southerly side of West 17th Street, 200 feet;

THENCE southerly parallel with 10th Avenue, 184 feet to the northerly side of West 16th Street;

THENCE westerly along the northerly side of West 16th Street, 300 feet to the easterly side of 10th Avenue;

THENCE northerly along the easterly side of 10th Avenue 160 feet 9 inches to the point or place of BEGINNING.

TOGETHER WITH THE BENEFITS OF that certain Zoning Lot and Development Agreement between 437 West 16th Street LLC and 17th and 10th Associates, LLC dated 1/3/06 and recorded 3/16/06 as CRFN 2006000149367 (Affects lots 14 and 16 in Block 714)

EXHIBIT "B" TO THE CONDOMINIUM DECLARATION

TO BE COMPLETED PRIOR TO RECORDATION OF CONDOMINIUM DECLARATION

The Caledonia									
Unit Designation	Tax Lot Number	Number of Bedrooms/ Bathrooms	Location (Building Facade)`	Square Footage	Tower Limited Common Element Square Footage	Common Elements to which Unit has Immediate Access	Percentage of Interest in the Common Elements		
							General	Residential Tower	
TOTAL									

375

EXHIBIT C

DEFINITIONS

For convenience of presentation, definitions of certain of the terms used in the Declaration are set forth below:

"Arbitration" shall have the meaning ascribed thereto in Section 11.1 of the By-Laws.

"Balcony(ies)" refers to balconies appurtenant to certain Tower Units or Rental Apartments.

"Base Limited Common Elements" refers to those Common Elements, which, in the event of a subdivision of any Base Unit, serve or benefit one or more but not all of the Base Units and/or the Base Unit Owners, as more particularly defined in the Declaration.

"Base Section" refers to the Base Units, and the Base Limited Common Elements, if any, the Rental Common Elements and the Commercial Common Element.

"Base Units" refers to any or all of the Rental Unit consisting of two hundred eighty-eight (288) Rental Apartments, a party room and terrace located on Floor 10, the Residents' Fitness Lounge and Residents' Fitness Elevator, a management office on the Ground Floor, Equipment Storage and Supply Room located on the Lower Level, a service valet room and Bicycle Storage and/or Storage Bins on the Ground Floor or Lower Level, storage and other ancillary space, the Retail Unit, the Fitness Facility Unit and the two (2) Garage Units.

"Base Unit Owner(s)" refers to the owner or owners of the Base Units.

"Board" refers to the Condominium Board.

"Building" refers to the structure and improvements including above and below grade segments, known as 450 West 17th Street, New York, New York 10011 in which the Units of the Condominium are located.

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

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

"Commercial Common Elements" refers to those Common Elements, which serve or benefit exclusively the Base Units and/or the Base Unit Owners, and which are not part of the Residential Common Elements or Rental Common Elements as more particularly defined in the Declaration.

"Commercial Section" refers to that portion of the Building which consists of the Base Section except that portion comprised of the Rental Section.

"Common Charges" refers to the aggregate of General Common Charges, Tower Common Charges, and/or Residential Common Charges.

"Common Elements" refers to the General Common Elements, the Residential Common Elements, the Tower Common Elements, the Tower Limited Common Elements, the Commercial Common Elements, the Rental Common Elements and the Base Limited Common Elements, if any.

"Common Expenses" refers to the collective General Common Expenses, the Residential Common Expenses and the Tower Common Expenses.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in any of the General Common Elements, Residential Common Elements, or Tower Common Elements, as the case may be, appertaining to each Unit determined in accordance with the Declaration.

"Condominium" refers to The Caledonia.

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

"Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Tower Unit Owners and of the Base Unit Owners.

"Condominium Declaration" refers to the instrument creating the Condominium to be recorded in the City Register's Office, together with all schedules and exhibits thereto, as same may be amended from time to time, a form of which is set forth in Part II of the Plan.

"Condominium Documents" refers collectively to the Declaration, the By-Laws, the Floor Plans and any and all exhibits thereto.

"Construction Lender" refers to such lender, individually and as agent for itself and any other lenders which participate in such financing to be used by Declarant to construct the Building.

"Declarant" refers to 17th and 10th Associates LLC, a Delaware limited liability company, and its successors and assigns.

"Declarant and/or its designee(s)," "Declarant or a designee of Declarant" or similar term refers to Declarant, any of the partners of Declarant, any affiliate of Declarant, any affiliate of any of the general or limited partners of Declarant, any officer or shareholder of a corporate partner of Declarant, or any partner of a partnership which is a partner of Declarant or any party designated in writing as a designee. As used in this paragraph, an affiliate shall be deemed to be a person or an entity who or which owns more than fifty percent (50%) of the legal and beneficial interest of Declarant or of any partner, a person or an entity with respect to which

either Declarant or any partner owns more than fifty percent (50%) of the legal and beneficial interest, or an entity as to which more than fifty percent (50%) of its legal and beneficial interest is owned by a person or an entity which owns more than fifty percent (50%) of the legal and beneficial interest of Declarant or of any partner.

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

"Development Rights Purchaser" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

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

"Excess Available Development Rights" shall have the meaning ascribed thereto in Section 2.2 of the Declaration. .

"First Annual Meeting" shall mean that special meeting of the Unit Owners called by the initial Condominium Board to elect a new Condominium Board.

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

"Floor Area Development Rights" shall mean the rights, as determined in accordance with the Zoning Resolution, appurtenant to a zoning lot, to develop such zoning lot by erecting thereon a structure or structures with a total zoning floor area determined by multiplying the area of such zoning lot by the basic maximum allowable floor area ration for structures in the zoning district in which such zoning lot is located and the inclusion of any available additional floor area and any use, bulk, density and other development rights permitted under the Zoning Resolution which may be authorized to be developed by the appropriate agency of the City of New York.

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

"Garage Units" refers to the approximately one hundred and one (101) parking spaces located in the Garage Units. To the extent that Declarant has applied for and receives a special permit to increase the number of parking spaces in the Garage Units to 210 parking spaces, the Garage Units shall include any and all additional parking spaces.

"General Common Charges" refers to assessments payable to the Condominium Board for the purpose of meeting General Common Expenses, as more particularly defined in the Declaration.

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

"General Common Expenses" refers to costs and expenses incurred or projected in connection with the Maintenance of the General Common Elements and the provision of services and facilities for all Unit Owners, as more particularly defined in the Declaration.

"High Line" refers to an unused elevated railway which runs 1.45 miles, and spans twenty-two (22) city blocks, from 34th Street to Gansevoort Street

"High Line Rights" refers to any and all development rights and other benefits which are or may become available to Declarant or West 16th LLC through any law or regulations allowing purchase of development rights or other benefits including but not limited to, any High Line improvement bonus now or hereafter attributable to the zoning lot.

"Inside Offeror" shall have the meaning set forth in Section 8.1.1 of the By-Laws.

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

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

"Limited Common Elements" refers to the Tower Limited Common Elements and the Base Limited Common Elements, if any.

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

"Master ZLDA" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

"Merger" shall have the meaning ascribed thereto in Section 17.2 of the Declaration.

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

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

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

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

"Rental Apartment(s)" refers to those 288 rental apartments located in the Rental Unit which may initially be offered for rental use.

"Rental Common Element" refers to Common Elements, which serve or benefit exclusively the Rental Apartment residents, as more particularly described in the Declaration.

"Rental Section" refers to the Rental Unit and the Rental Common Elements.

"Rental Unit" refers to the Base Unit which contains the Rental Apartments, the Residents' Fitness Lounge, Storage Bins and/or Bicycle Storage, valet room, management offices, storage and accessory spaces, if and to the extent Declarant in its sole discretion constructs same.

"Required Documentation" refers to such applications, permits, certifications, affidavits, forms, agreements, acknowledgments or other documents as may be required to enable the Declarant to exercise its rights or obligations under the Declaration and the By-Laws, including, without limitation, Declarant's rights to deal with any Excess Available Development Rights and to undertake, perform and complete such work to the Unsold Units, Base Units and Common Elements.

"Residential Common Charges" refers to amounts payable to the Condominium Board by Unit Owners for the purpose of meeting the cost of the Residential Common Expenses, as more particularly defined in the Declaration.

"Residential Common Elements" refers to those Common Elements, which serve or benefit exclusively the Residential Section, as more particularly described in the Declaration.

"Residential Common Expenses" refers to the costs and expenses incurred by the Condominium Board or projected in connection with the operation and Maintenance of certain Tower Common Elements (including but not limited to hallways), the Residential Common Elements, certain Rental Common Elements (including but not limited to hallways) or in connection with any services or facilities exclusively benefiting the Residential Section or the Tower Unit Owners or Rental Apartment residents, including but not limited to the cost of operating the Residents' Fitness Lounge during the term of the Residents' Fitness Lounge Agreement, as the same may be extended, (including without limitation the Residents' Fitness Elevator, and Residents' Fitness Concierge) as more particularly defined in the Declaration.

"Residential Permitted Users" refers to Rental Apartment residents (with permission from the Rental Unit Owner) and Tower Unit Owners and their tenants as the permitted users of certain amenity space within the Condominium.

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

"Residential Section" refers to the Tower Section and the Rental Section and the Residential Common Elements.

"Retail Unit" refers to that portion of the Building located on portions of the Ground Floor and Lower Level of the Building, to be utilized for retail or other commercial use.

"Satellite License" shall mean that license granted pursuant to the ZLDA by Sponsor to West 16th LLC a license to install, at West 16th LLC's sole cost and expense, up to two (2) satellite dishes, the exact location of which shall be approved and designated by Sponsor, in its sole discretion, not to exceed 18" in diameter each on the roof of the Building.

"Section" refers to the Residential Section, the Rental Section, the Commercial Section or the Base Section. All of such Sections are collectively referred to as "Sections."

"Signs" refers to any and all signs, awnings, canopies, marquees, banners, flags, pennants, aerials, antennas or the like located in any Unit or upon any Common Elements.

"Sponsor" refers to 450 West 17th Associates LLC, a New York limited liability company, and its successors and assigns.

"Terrace and/or Balcony(s)" refers to Terrace and/or roof gardens and/or deck house appurtenant to and made a part of certain Tower Units or Rental Apartments.

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

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

"Tower Common Expenses" refers to the costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, certain Tower Common Elements, including two (2) elevators and the Tower Entertainment Lounge, Sundeck, Outdoor Garden on Floor 14, and the Tower Limited Common Elements as more particularly defined in the Declaration.

"Tower Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage which is apportioned in the same proportion that the General Common Interest of such Tower Unit bears to the aggregate General Common Interests of all Tower Units and which is the basis of determining a Tower Unit Owner's liability for a share of the Tower Common Expenses.

"Tower Limited Common Elements" refers to those Common Elements, which serve or benefit exclusively one (1) or more but not all the Tower Units and/or the Tower Unit Owners including, but not limited to the Terrace and/or Balcony appurtenant to certain Tower Units, as more particularly defined in the Declaration.

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

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

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

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

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

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

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

"ZLDA" shall refer to that certain zoning lot development agreement entered into between 437 West 16th Street LLC as Owner and Developer dated as of September 22, 2005 and recorded in the City Register's Office on March 16, 2006 as CRFN 2006000149367.

EXHIBIT "7"

CONDOMINIUM BY-LAWS

EXHIBIT D

BY-LAWS

OF

THE CALEDONIA
450 WEST 17TH STREET
NEW YORK, NEW YORK 10011

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BY-LAWS

ARTICLE 1

GENERAL

1.1 **Purpose.** The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of The Caledonia (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 52,875 square feet of land (the "Land") which forms a part of Block 714 of Section 03 the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein which are not separately defined herein, shall have the meanings given to those terms in the Declaration or in Exhibit C thereto.

1.2 **Applicability of By-Laws.** These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other residents of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 **Principal Office of Condominium.** The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2

BOARD OF MANAGERS

2.1 **Number, Term and Qualification.**

2.1.1 As more particularly set forth in 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board"). From and after the first annual meeting of Unit Owners as provided in Section 3.1, the Condominium

Board shall consist of five (5) persons elected by the Unit Owners, subject to Declarant's 3.9.3 rights.

2.1.2 Each member of the Condominium Board except for the first Board as provided in Section 2.4 and except as otherwise provided herein, shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.3 Except for Board members elected or designated by Declarant or its designee all members of the Condominium Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, members, trustees, employees or beneficiaries of corporations, partnerships, limited liability companies fiduciaries or any other entities which own Units, Permitted Mortgagees, or family members of any of the foregoing. Other than Board members elected or designated by Declarant or its designee no Board member shall continue to serve after such member ceases to be qualified as set forth above. As used herein the term "Permitted Mortgagee" means the holder of any Permitted Mortgage.

2.2 **Powers and Duties.**

2.2.1 The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Condominium Board by the Unit Owners). All determinations with respect to the administration of the affairs of the Condominium, shall be made by the Condominium Board.

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof:

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1(a) Operating, caring and Maintaining the Common Elements, including contracts for utilities, services and supplies;

2.2.2.1(b) Determining the amount of Common Charges (as hereinafter defined).

2.2.2.1(c) Employing and dismissing personnel in connection with the Maintenance and operation of the Common Elements.

2.2.2.1(d) Adopting and amending the Rules and Regulations, as they affect the Common Elements.

2.2.2.1(e) Making additions and improvements to, or alterations of, the Common Elements.

2.2.2.1(f) Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1(g) Enforcing obligations of Unit Owners.

2.2.2.1(h) Levying fines against Unit Owners for violations of any rules and regulations adopted by the Condominium (any such fines shall constitute Common Charges payable by the Unit Owner against which they are levied).

2.2.2.1(i) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1(j) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves Common Elements, as set forth in 6.2.

2.2.2.1(k) Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and Maintenance of the Common Elements; provided, however, that (i) the consent of at least 66-2/3% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $150,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1(l) Bringing actions on behalf of the Unit Owners, as their interests may appear, with respect to any cause of action relating to the Common Elements, as the Condominium Board deems advisable.

2.2.2.1(m) Organizing corporations or limited liability companies to act as designees of the Condominium Board with respect to such matters as the Condominium Board may determine.

2.2.2.1(n) Executing, acknowledging and delivering of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law, 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 or construction of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.1(o) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1(p) Obtaining and reviewing insurance for the Property pursuant to the provisions of Section 6.2.

2.2.2.1(q) Leasing or purchasing an apartment for use as the residence of the building superintendent, either in the Building or elsewhere (in compliance with applicable Law and regulation) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such apartment.

2.2.2.1(r) Leasing or licensing the Common Elements.

2.2.2.1(s) Imposing move in fees and charges, and transfer fees in connection with the sale or lease of a Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.1(t) In any matter solely concerning the Tower Unit Owners, only those members of the Condominium Board elected by the Tower Unit Owners shall have the right to vote.

2.2.2.1(u) Reviewing and approving alterations, additions, improvements, renovations and repairs by Unit Owners to their respective Units and the Common Elements and establishing rules and procedures with respect to such alterations, additions, improvements, renovations and repairs.

2.2.2.1(v) Otherwise performing all of the acts to be performed by the Condominium Board in accordance with the terms of the Plan.

2.3 **Managing Agents and Managers.** With respect to matters concerning which the Condominium Board is entitled to make determinations, the Condominium Board may employ a managing agent and/or a manager at a compensation established by the Condominium Board to perform such duties and services as the Condominium Board shall authorize. The Condominium Board may delegate to such managing agent or manager other powers granted to the Condominium Board by these By-Laws, except the powers set forth in Subsections 2.2.2.1(b), (e), (g), (h), (1), (m), (n) and (o).

2.4 **First Board.** The Condominium Board shall initially consist of three (3) people, comprised of two (2) persons designated by the Declarant and one (1) person designated by Sponsor. The various Board members shall be deemed to have been "elected" as members of the Condominium Board for the purposes of these By-Laws. Within one (1) year after the date of the First Closing the Condominium Board will call for the first annual meetings of Unit Owners for the purpose of electing the new Condominium Board in accordance with the provisions of 3.1 of these By-Laws and subject to the rights of Declarant to designate certain members of the Condominium Board as more particularly described in Section 3.9.3 of these By-Laws. The terms of each such member of the Condominium Board shall expire annually.

2.5 **Resignation and Removal.** Any Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Condominium Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of Subsection 3.9.3, any Condominium Board member designated by the Tower Unit Owners may be removed, with or without cause, by a majority vote of Tower Unit Owners, present in person or by proxy at a regular or special meeting of Tower Unit Owners at which a quorum is present. Any Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant or the Base Unit Owners or their respective designee may only be removed by members other than Declarant or its designees with cause and such members shall be replaced as described in Section 2.6. In addition, any member of the Condominium Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member.

2.6 **Vacancies.** Subject to the provisions of Section 3.9.3, any vacancy on a Board for whatever reason shall be filled by the members of a Board then in office, at a special meeting of the Condominium Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Condominium Board until the next annual meeting of the Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on a Board, created by the resignation, removal or any other cause which results in any Board member designated by Declarant or its designee, ceasing to be a member of the Condominium Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.7 **Organizational Meetings of the Condominium Board.** The first meetings of the Condominium Board following each annual meeting of the Unit Owners shall be held immediately following each such annual meeting.

2.8 **Regular Meetings of Board.** Regular meetings of the Condominium Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by

personal delivery, mail, facsimile or e-mail, at least five business days prior to the day named for such meeting.

2.9 **Special Meetings of Board.** Special meetings of the Condominium Board may be called by the President or Vice President of the Condominium Board by giving five business days' prior notice to each member of the Condominium Board by personal delivery, mail, facsimile or e-mail, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Condominium Board shall be called in like manner and on like notice on the written request of at least two members of the Condominium Board.

2.10 **Meetings of Condominium Board.** No organizational or regular meetings of the Condominium Board shall be held unless otherwise required by applicable law in which event such required meetings shall be held at such time and place in the Borough of Manhattan as shall be determined by the Condominium Board, provided that notice thereof be given to Board members by personal delivery, mail, facsimile or e-mail at least five business days prior to the day named for such meeting. Special meetings of the Condominium Board may be called by the President of the Condominium Board by giving five business days' prior notice to each member of the Condominium Board by personal delivery, mail or telegram, which notice shall state the time, place (which shall be in the Borough of Manhattan) and purpose of the meeting.

2.11 **Resolutions of Board.** The Condominium Board shall cause to be promptly delivered to the other copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.12 **Waiver of Notice.** Any Board member may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of the Condominium Board, no notice shall be required and any business may be transacted at such meeting.

2.13 **Determinations by Board; Quorums.**

Except as otherwise set forth in 2.13.2, all determinations by the Condominium Board shall be made at a meeting of the Condominium Board at which a quorum thereof is present. At any Condominium Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of the Condominium Board. Notwithstanding the foregoing, in no event shall a quorum be formed without the presence in person or by proxy of at least two members of the Condominium Board designated by the Base Unit Owners. Notwithstanding the foregoing, in no event shall a quorum be formed without the presence in person or by proxy of at least one member of the Condominium Board designated by the Rental Unit Owner.

2.13.1 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at

which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.13.2 Members of the Condominium Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Condominium Board may be taken without a meeting if all members of the Condominium 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 Condominium Board.

2.14 **Compensation.** No member of the Condominium Board shall receive any compensation for acting as such.

2.15 **Liability of Board and Unit Owners.**

2.15.1 To the extent permitted by applicable Law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Condominium Board or by any managing agent or manager thereof shall state or be deemed to state that it is made by the Condominium Board, managing agent or manager only as agent for all Unit Owners, that such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or the Tower Section or Base Section, as the case may be, shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, Tower Unit Owners, or the Base Unit Owners, as the case may be, and, unless expressly stated to the contrary in such contract (as determined by the relevant Board in its sole and absolute discretion), to the extent permitted by applicable Law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and such Unit Owner's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Condominium Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that a Board member shall be liable for such member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.15.2 No Board or any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any member thereof; or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any Common Element or Limited Common Element.

2.16 **Fidelity Bonds.** The Condominium Board shall obtain or ensure maintenance of fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds or insurance shall constitute General Common Expenses, Tower Common Expenses or Residential Common Expenses, as the case may be.

2.17 **Committees.** The Condominium Board may, subject to such limitations and exceptions as the Condominium Board may prescribe, appoint an Executive Committee and such other committees as the Condominium Board may deem appropriate, each to consist of as many members as the Condominium Board shall deem appropriate for the purpose of making such reports and studies as each the Condominium Board deems appropriate. For so long as Declarant is entitled to designate members to the Condominium Board, any committee appointed by any the Condominium Board shall have as at least one of its members a member appointed by Declarant.

2.18 **Principal Offices of Board.** The principal offices of the Condominium Board shall each be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Condominium Board.

2.19 **Status of Board.** In addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act, the Condominium Board shall, to the extent permitted by applicable Law, be deemed to constitute a separate association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Condominium Board pursuant to the provisions of 2.20, the provisions of this Section 2.19 shall no longer be applicable to the Condominium Board.

2.20 **Incorporation of Board.** To the extent and in the manner provided in the Condominium Act the Condominium Board may by action of the Condominium Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Condominium Board so incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.21 **Board as Agents of Unit Owners.** In exercising their respective powers and performing their respective duties under the Declaration and these By-Laws, the Condominium

Board shall act in good faith as, and shall be, the agent of the Unit Owners the Condominium Board represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.22 **Development Rights.** The Condominium Board shall be authorized to, and, upon the request of Declarant or the Development Rights Purchaser, the Condominium Board shall be obligated, to execute and deliver any documents or applications reasonably required in connection with a Merger, any declaration of zoning lot restrictions, the ZLDA, the Master ZLDA or the transfer of the Excess Available Development Rights to the Development Rights Purchaser."

ARTICLE 3

UNIT OWNERS

3.1 **Annual Meetings.** The first annual meeting of Unit Owners shall be called on or no more than one (1) year after the First Closing. Such meeting shall be held not less than 10 days nor more than 40 days after such date. At such meeting, the incumbent Condominium Board shall resign and the Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these by-laws) a Condominium Board consisting of five (5) members, two (2) of whom shall be elected by the Tower Unit Owners or designated by Declarant and three (3) of whom shall be designated by a Majority of the Base Unit Owners. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, the incumbent Board members shall resign and the members of the Condominium Board shall be elected, two (2) of whom shall be elected by the Tower Unit Owners or designated by Declarant and three (3) of whom shall be designated by a Majority of the Base Unit Owners and there shall also be transacted such other business as may properly come before such meetings.

3.2 **Place of Meetings.** Meetings of all or any Unit Owners, shall be held at the principal office of the Condominium or, at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Condominium Board.

3.3 **Special Meetings.** The President of the Condominium Board shall call a special meeting of Unit Owners, if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Condominium Board upon not less than 25% in Common Interest of Unit Owners.

3.4 **Notice of Meetings and Actions Taken.** Notice of each annual or special meeting shall be given by the appropriate Secretary to all Unit Owners of record entitled to vote thereat as of the date of said notice. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, regular mail, recognized overnight courier or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at

least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 **Adjournment of Meetings.** If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 **Order of Business.** The order of business at all meetings of Unit Owners shall be as follows:

(a) Call to order;
(b) Roll call;
(c) Proof of notice of meeting;
(d) Reading of minutes of preceding meeting;
(e) Reports of officers;
(f) Reports of members of the Condominium Board;
(g) Reports of committees;
(h) Election of inspectors of election (when so required);
(i) Election of members of the Condominium Board (when so required);
(j) Unfinished business;
(k) New business; and
(l) Adjournment.

3.7 **Title to Units.** Title to Units may be taken by any individual, corporation, partnership, association, limited liability company, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 **Voting.**

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Condominium Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Condominium Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Condominium Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to such Unit Owner's Unit.

3.8.3 Notwithstanding anything to the contrary set forth above, Unit Owners may vote to amend the Declaration and these By-Laws pursuant to Article 20 of the Declaration and Article 13 of these By-Laws, without a meeting, provided that such Unit Owners receive no less than thirty (30) days notification of such proposed amendment from the Condominium Board, together with a copy of the text of such proposed amendment and a proxy with respect to such vote.

3.9 **Election of Board Members; Rights of Declarant.**

3.9.1 All elections of Board members shall be determined by plurality vote.

3.9.2 When voting for members of the Condominium Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with Section 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Unit Owners, Sponsor shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Sponsor has closed title to all of the Unsold Units owned by it. Sponsor shall control the designation of the members of the Condominium Board designated by the Tower Unit Owners on the Condominium Board until the later to occur of (i) five (5) years from the date of the First Closing or (ii) that date upon which at any meeting of Unit Owners at which the votes cast for Sponsor's nominees do not constitute a majority of the votes cast at such meeting. Any vacancy created by removal of a Board member designated by Declarant or Sponsor, or by any other cause which results in a Condominium Board member designated by Developer or Sponsor ceasing to be a member of the Condominium Board, shall be filled by a person designated by Developer or Sponsor, as the case may be. In addition, for so long as Sponsor owns less than 50% of the Units but more than 15% of the Unsold Units Sponsor shall have the right to designate at one (1) member of the Condominium Board.

3.9.4 Nothing contained herein shall be deemed to limit the right of Declarant or Sponsor to cast its votes for individuals nominated to the Condominium Board who are not nominated or designated by Declarant or Sponsor, which individuals, if elected, shall not be deemed Declarant or Sponsor nominees or designees, as the case may be and shall not be deemed to cause Declarant or Sponsor to control either the Condominium Board.

3.10 **Majority of Unit Owners.** Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means Unit Owners, having more than 50%

of the total authorized votes of all Unit Owners, determined in accordance with the provisions of 3.8, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 **Quorum.** Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 30% of the Common Interests attributable to all Units shall constitute a quorum at all meetings of Unit Owners person but in no instance shall a quorum be formed without the presence in person or by proxy at any meeting of Unit Owners and the Base Unit Owners of the Base Unit Owners.

3.12 **Majority Vote.** Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

3.13 **Determination of Unit Owners.** When the Tower Unit Owners and Base Unit Owners, with each acting separately in accordance with the provisions of this Article 3, have made the same determination as to any matter which is required or permitted to be determined by all Unit Owners, such determination shall constitute the determination of all Unit Owners. No joint meeting of Tower Unit Owners and the Base Unit Owners shall be necessary for any such determination to be made by all Unit Owners. Notwithstanding anything to the contrary set forth herein as to any matter as to which the Tower Unit Owners or Base Unit Owners are permitted or required to act at any meeting of such Unit Owners, such action may be taken without a meeting if the requisite number of such Unit Owners, in number and Common Interest, consent in writing (by proxy or otherwise) to such action and the writing or writings are filed with the minutes of the Condominium Board.

ARTICLE 4

OFFICERS

4.1 **Designation.** The principal officers of the Condominium shall be President, Vice-President, Secretary and Treasurer The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Condominium Board need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Condominium Board after the first annual meeting of Unit Owners. Thereafter, the President and Vice President of the Condominium Board must be members of the Condominium Board.

4.2 **Election of Officers.** The officers of the Condominium Board shall be elected annually by the members of the Condominium Board, at the organizational meetings thereof, except that the initial officers of the Condominium Board shall be elected, by the initial Condominium Board members and shall hold office at the pleasure of the Condominium Board and until their successors are elected.

4.3 **Resignation and Removal of Officers.** Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Condominium Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the

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

4.4 **Presidents.** The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as the President decides is appropriate to assist in the conduct of the affairs of the entire Condominium.

4.5 **Vice Presidents.** The Vice Presidents shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If both the President and the Vice are unable to act, the Condominium Board shall appoint some member of the Condominium Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Condominium Board or by the President.

4.6 **Secretaries.** The Secretary of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 **Treasurers.** The Treasurers shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board (or in the name of the managing agent appointed by the Condominium Board) in such depositories as may from time to time be designated by the Condominium Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 **Execution of Documents.** Unless otherwise delegated by the Condominium Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board. If for any reason whatsoever one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board member to countersign the expenditure.

4.9 **Compensation of Officers.** Except as otherwise provided by the Condominium Board, no officer shall receive any compensation for acting as such.

ARTICLE 5

NOTICES

5.1 **Notices.** All notices required or desired to be given hereunder to the Condominium Board shall be personally delivered or sent by registered or certified mail to the office of the Condominium Board or to such other address as the Condominium Board may designate from time to time, and if there is a managing agent of the Condominium Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 **Waiver of Service of Notice.** Whenever notice is required to be given by Law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE PROPERTY

6.1 **Determination of Common Expenses and Fixing of Common Charges.**

6.1.1 Except as otherwise provided herein, the Common Expenses (as hereinafter defined) shall be determined by the Condominium Board as set forth below, and shall be borne by Unit Owners in proportion to their respective Common Interests. Common Expenses shall be defined to include the following: (i) all costs and expenses attributable to the Maintenance and operation of, and any alteration, addition or improvement to, the Common Elements, (ii) all such other items provided for in the Declaration or these By-Laws to be Common Expenses, (iii) such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall (a) allocate and assess Residential Common Charges as aforesaid, among all Tower Unit Owners and the Rental Unit Owner to meet Residential Common Expenses, (b) allocate and assess General Common Charges as aforesaid, among all Unit Owners and (c) allocate and assess Tower Common Charges as aforesaid, among all Tower Unit Owners to meet Tower Common Expenses. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law. Notwithstanding anything to the contrary in this Section 6.1.1, if a Common Element or Limited Common Element benefits only certain Unit

Owners, then the costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) may be borne solely by those Unit Owners who benefit from the Common Element or Limited Common Element in the proportion that the Common Interest of each benefiting Unit Owner bears to the Common Interest of all benefiting Unit Owners.

6.1.2 From time to time the Condominium Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. During the Condominium's initial two fiscal years but not thereafter, the Condominium Board's authority shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Unit Owners for any period to reflect actual operating costs for such period. The Condominium Board shall advise all Unit Owners in writing of the amount of Common Charges payable by each of them and shall furnish copies of each annual budget to all Unit Owners at least ten (10) days prior to the adoption thereof and shall make copies of the budget available to Permitted Mortgagees. In the event that the annual receipts levied against Unit Owners during the first year of Condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Declarant during the first year of Condominium operation will be distributed by the Condominium Board to Declarant and the Unit Owner(s) in proportion to the amount of time Declarant and each Unit Owner owned such Unit.

6.1.3 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any General Common Element, Residential Common Element or Tower Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.4 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.5 Notwithstanding anything to the contrary herein, no part of the net earning of the Condominium may inure (other than by acquiring, constructing, or providing management, Maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) property insurance with all risk extended coverage,

vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (other than the Units and all fixtures, furniture, furnishings or other personal property contained in such Units), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of each Unit and all fixtures, furniture, furnishings or other personal property contained in such Units, foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Condominium Board and all officers, directors, managing agents and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above shall be a General Common Expense. Notwithstanding the foregoing, for so long as Sponsor or Declarant controls the Board or has a right to designate at least one (1) Condominium Board member, the Condominium will maintain property insurance, including without limitation, terrorism insurance, to the extent required by the existing mortgage on Sponsor's units.

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board if the loss involves the Common Elements. Insurance proceeds with respect to any loss shall be payable to the Condominium Board, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.5.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Condominium Board and all Unit Owners hereby waive their subrogation rights."

6.2.4 Except for Workers Compensation and New York Statutory Disability Insurance, coverages the Condominium Board and the Unit Owners each agree that they shall make no claim for recovery against each other for damages to or loss of the demised premises or improvements and betterments thereon, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible insurance protecting the Condominium Board and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated

insurance coverages herein. The Condominium Board and each Unit Owner, by acceptance of a deed for a Unit, shall be deemed to have waived their rights of subrogation.

6.2.5 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering the Condominium Board, the Managing Agent or agents thereof, each Board member, and each officer and employee of the Condominium, and each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.5 shall also cover cross-liability claims of one insured against another.

6.2.6 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines.

6.2.7 The Condominium Board is not required to obtain or maintain any insurance with respect to the Unit or any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $100,000 for bodily injury or death arising out of any one occurrence including $200,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage and personal property). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. To the extent a party is insured for loss or damage to property, such party will look to its own insurance policies for recovery. Policies maintained by Unit Owners pursuant to this Subsection must provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board.

6.3 **Repair or Reconstruction after Fire or Other Casualty.**

6.3.1 In the event that either (i) the Building or any part thereof (other than the Units) is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Tower Common Elements and/or Residential Common Elements and/or Rental Common Elements and/or Commercial Common Elements or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of

Section 6.2 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $ 1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the General Common Elements or Residential Common Elements and the Units, and for the benefit of all Tower Unit Owners with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Tower Common Elements, the Tower Limited Common Elements, the Tower Units, the Base Limited Common elements, the Rental Common Elements, the Commercial Common Elements, and the Base Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 6.3. Notwithstanding anything to the contrary contained either in this Subsection 6.3.1 or elsewhere in this Section 6.3, however, no Tower Unit Owner whose Tower Unit, its appurtenant Tower Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he may have to pursue a separate claim against the condemning authority by reason thereof.

6.3.2 Except as otherwise provided herein, the Condominium Board with respect to the Common Elements and Limited Common Elements shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Elements affected by such Taking. Damage or destruction to a Unit shall be promptly repaired and reconstructed by the Owner of the affected Unit(s). If, pursuant to the immediately preceding sentences, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. If a Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board may cause the Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Unit Owner as a Special Assessment.

6.3.3 In the event that Work shall be performed pursuant to the terms Subsection 6.3.1 and 6.3.2, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If said damage or destruction by fire or other casualty affects the Building, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Building, bears to the total cost of repairing all damage or destruction as determined by a Certifying Professional. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a Common Expense or profit, respectively, as provided in 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this Section 6.3 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.4 If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty, the Work shall not be performed unless 75% or more of all Unit Owners (including Declarant, if Declarant shall then own any Units), shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of Subsections 6.3.1 and 6.3.2 hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the Common Elements and to all Unit Owners in proportion to their respective Common Interest, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

6.3.5 If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of Section 6.3.4 hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

6.3.6 As used in this Section 6.3, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) sixty days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) ninety days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of Subsection 6.3.1, sixty days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than sixty days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

6.3.7 Any dispute that may arise under this Section 6.3 between any Unit Owners or between any Unit Owner and the Condominium Board shall be resolved by Arbitration.

6.4 **Payment of Common Charges.**

6.4.1 The Unit Owners shall be obligated to pay to the Condominium Board the Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. Unless otherwise determined by the Condominium Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Condominium Board or its designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges, thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit.

6.4.3 All liens provided for in Subsection 6.4.2, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.4 Notwithstanding Subsection 6.4.2, neither the seller nor the purchaser of a Unit shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Condominium Board.

6.4.5 In the event that prior to the Units being separately assessed for real estate tax purposes, the Condominium Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Condominium Board shall have a lien (as provided in Subsection 6.4.2) for any such accrued and unpaid amounts.

6.5 **Collection of Common Charges.** The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board which remain unpaid for more than thirty days after the due date for payment thereof.

6.6 **Default in Payment of Common Charges and other Obligations.** In the event any Unit Owner fails to make payment of Common Charges or Assessments when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one (1%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Condominium Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by Law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Condominium Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. In addition the Condominium Board may suspend a Unit Owner's voting rights and privileges for failure to pay any Common Charges or Assessments due.

6.7 **Foreclosure of Liens for Unpaid Common Charges.**

6.7.1 In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Condominium Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit

6.7.2 The Condominium Board at the request of any Base Unit Owner, will enter into a nondisturbance agreement (the "Condominium Nondisturbance Agreement") with a tenant occupying any portion of any Base Unit, on the terms set forth in this Section 6.7.2;

provided such lease is an "arms-length" lease and provided further that such Unit Owner has not received a notice of default under the terms of the Declaration or these By-Laws at the time of such request. Under the terms of the Condominium Nondisturbance Agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Condominium Board will agree that so long as there no event of default exists under said lease, as would entitle the Unit Owner, or any successor landlord under the lease, to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Condominium Board's lien for Common Charges on a Unit or any other sums of any sort, recognize all of tenant's rights under the lease and will not diminish, terminate or disturb tenant's possession or rights under the lease, expand any of tenant's obligations under the lease or under the Condominium Declaration or these By-Laws, or obligate tenant to comply with any of the provisions of the Declaration or these By-Laws, except as expressly provide herein, and will recognize tenant as the direct tenant of the Condominium Board or its successor on the same terms and conditions as are contained in the lease and the tenant's use, possession, or enjoyment of the Unit in question shall not be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Condominium Board, or, in case the Condominium Board takes possession of said Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that if the Condominium Board or any other party succeeds to the interests of the Unit Owner under the lease the tenant will agree to be bound to the Condominium Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to the Condominium Board or party as its landlord. The Condominium Board, at the request of the Unit Owner entering into a lease with the tenant, shall execute and deliver promptly the Condominium Nondisturbance Agreement and any other agreement that any tenant may reasonably request in confirmation of the foregoing in form reasonably satisfactory to the Condominium Board.

6.8 **Statement of Common Charges.** The Condominium Board shall promptly provide any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 **Maintenance and Repairs.**

6.9.1 Except as otherwise provided in the Declaration or these By-Laws, all Maintenance, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws) and the entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, or (b) in or to the Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense.

6.9.2 Notwithstanding the provisions of Subsection 6.9.1:

6.9.2.1 In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such

Unit Owner, or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and no neon or colored lights may emanate therefrom and the windows may not be modified, altered or replaced without the consent of the Condominium Board. All normal Maintenance of any Terrace shall be made by the Unit Owner having access to such at such Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace (including any leaks which are not caused by the negligence of the Unit Owner having access to the same) shall be made by the Condominium Board and the cost and expense thereof shall be charged to Tower Unit Owners as Tower Common Expenses if a Tower Unit Terrace or to the Rental Unit Owner if a Rental Terrace. The Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Terraces and may require a Unit Owner to remove same, at such Unit Owner's sole cost and expense, if the Condominium Board determines, in their respective discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building. A Unit Owner will be obligated, at such Unit Owner's sole cost and expense, to remove plantings, surface coverings and other furniture, equipment and installations from the Terrace, if requested by the Condominium Board, to facilitate access to the roofing system or other Common Elements pursuant to the Declaration or these By-Laws. No Terrace may be enclosed without the express written consent of the Condominium Board. The Condominium Board may establish such other rules and regulations as they deem necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the residents.

6.9.2.3 The exterior surface of all windows in the Building, other than those portions which constitute the Base Exterior Façade (except that portion of the Base Exterior Façade which includes the Rental Unit), if so determined by the Condominium Board, shall be washed and cleaned by the Condominium Board and the cost and expense thereof shall be a Residential Common Expense. Otherwise, the exterior of all windows in the Building shall be washed or cleaned at the cost and expense of the Unit Owner. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or resident thereof at such Unit Owner's or resident's sole cost and expense, except that those interior glass surfaces of all windows located in any Rental Apartment shall be washed and cleaned by the Rental Apartment resident thereof as such resident's sole cost and expense. No Unit Owner or resident shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future Law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Condominium Board and the other Unit Owners, and their respect agents and employees, for all losses, damages, or fines suffered by any of the them as a result of a violation of Law.

6.9.2.4 The exterior of all front doors of Tower Units shall not be painted or decorated other than with the consent of the Condominium Board.

6.9.2.5 No awnings, air conditioning equipment, ventilators or other Facilities or equipment will be installed or modified in the Residential Section without prior written approval of the Condominium Board.

6.9.2.6 Any repairs or Maintenance work performed with respect to the incremental HVAC units in each Tower Unit shall only be performed by a company or individual previously approved by the Condominium Board.

6.9.2.7 Routine maintenance and repairs of the vault space, if any, in the Lower Level shall be the obligation of the Condominium Board or Unit Owners having the exclusive use thereof. The costs of any structural repairs, including repairs to the foundations or retaining walls adjacent to the vaults and the closing of the vaults shall be performed by the Condominium Board and the cost therefor shall be a General Common Expense.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any Terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water to the extent same would cause damage to the Building) by the Unit Owner or Board, whichever is responsible for the Maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all Maintenance necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Condominium Board with respect to such parts of the Building required to be Maintained by it, (b) each Unit Owners with respect to such Unit Owner's Unit and any Limited Common Elements required to be Maintained by the Unit Owner, including, without limitation shades, venetian or other blinds, drapes, curtains or other window decorations in or in or appurtenant to such Unit Owner's Unit.

6.9.4 In the event of an Emergency (i) affecting the Residential Section, Commercial Section employees will assist Residential Section employees, and (ii) affecting the Commercial Section, Residential Section employees will assist Commercial Section employees and the costs thereof shall be appropriately allocated to the Section receiving the benefit of such assistance.

6.9.5 Each Unit Owner will be obligated to heat and cool such Unit Owner's Unit so as to maintain the appropriate temperature in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units, including, without limitation, freezing pipes and damage to the wood floors and moldings. Purchasers should note that, as with all wood products (including without limitation, wood furniture, cabinetry, floors and molding) wide variations of temperature and humidity can lead to shrinkage and expansion of the wood which in turn may cause damage to any such wood product.

6.9.6 Residential Permitted Users will be able to utilize any bicycle storage facilities located in the Building (hereinafter, each a "Bicycle Room"), in the event any such

Bicycle Rooms are constructed and there is room in the Rental Unit Owner's sole discretion, to store individual bicycles in facilities (hereinafter referred to as "Bicycle Racks") located therein. The Rental Unit Owner has the right to charge Residential Permitted Users for the use of the Bicycle Room and Bicycle Racks and to establish rules and regulations relating to the use of the Bicycle Room and Bicycle Racks. The Condominium Board and the Rental Unit Owner shall not be liable for any theft or damage to any bicycles or other objects stored in the Bicycle Room, unless due to the gross negligence of the Condominium Board or the Rental Unit Owner. The Bicycle Room will be unattended and Residential Permitted Users will store bicycles in the Bicycle Room at such Residential Permitted Users' own risk.

6.9.7 The Storage Bins may only be used in accordance with Law and only for the storage of the personal effects of the Permitted Residential User having exclusive access to such Storage Bin and nothing can be stored in the Storage Bins which would constitute a threat to the health or safety of such Permitted Residential User or other residents of the Building or otherwise create a nuisance in the Building. The Rental Unit Owner has the right to charge Residential Permitted Users for the use of the Storage Bins and will be responsible for assigning the Storage Bins among the Residential Permitted Users, to the extent any such Storage Bins are constructed. The Rental Unit Owner has the authority to promulgate rules regarding use of and access to the Storage Bins.

6.10 **Violations of Obligations.**

6.10.1 In the event that any Unit Owner, within a reasonable time after receipt of written notice from the Condominium Board, fails to perform any of its obligations with respect to the Maintenance of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed such Maintenance unless such Unit Owner, within thirty (30) days after receiving notice of such default from the Condominium Board (or sooner in the case of Emergency), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such Maintenance by the Condominium Board, together with 10% for overhead and interest thereon at the rate of 2% per month from the date on which the Condominium Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.10.2 Each Unit Owner must strictly comply with the provisions of the Declaration, these By-Laws, and the rules and regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief will not be exclusive of other remedies provided by Law.

6.11 **Alterations, Additions, Improvements and Repairs of Units.**

6.11.1 Except as otherwise provided in the Declaration, no Unit Owner shall make any alteration, addition, improvement or repair Unit involving structural work or which

impact upon Building systems, in or to such Unit Owner's Unit without the prior written approval of the Condominium Board. With respect to any alteration, addition, improvement or repair the Condominium Board, may exercise the right to reasonably approve the contractors and suppliers, performing alteration, addition, improvement or repair in any Unit and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The Condominium Board may impose fees upon a Unit Owner to reimburse the Condominium Board for its costs incurred in reviewing or supervising the aforesaid work and providing appropriate security with respect thereto. In addition, the Condominium Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements. The foregoing provisions shall not apply to Declarant or its designee or a Permitted Mortgagee (or its designee) of Declarant or its assignee, which shall not be required to obtain the approval of the Condominium Board for any alteration, addition, improvement or repair, whether structural or non-structural in or to Unsold Units, enter into any alteration agreement with respect thereto or perform any additional work as a condition thereof.

6.11.2 All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all Laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Condominium Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.3 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Condominium Board (if such approval is required) shall, if required by Law or such department or authority, be executed by the Condominium Board, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant or its designee is hereby authorized on behalf of the Condominium Board to execute the Required Documentation required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws (including, without limitation, any certificates as may be required to amend the existing certificate of occupancy to reflect a reconfiguration of the Units and/or a change in use) and to obtain such certificates of completion as may then be required by Law and, the Condominium Board, if requested by Declarant or its designee, shall execute the Required Documentation.

6.11.4 No alterations, additions, improvements or repairs shall made by any Unit Owner shall materially delay, prevent or adversely affect, or create a significant risk of

materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building. Prior to the issuance of the permanent certificate of occupancy for the Building, any Unit Owner desiring to perform such alterations, in addition to satisfying any other requirements of these By-Laws with respect to such alterations, must also notify Declarant, in writing, of the scope of the proposed alterations and satisfy other reasonable requirements of Declarant. In furtherance thereof, a Unit Owner performing alterations, shall indemnify Declarant and the Condominium Board for any cost, expense, claim or liability incurred or suffered by Declarant or Condominium Board as a result of any violation of Law or delay in obtaining a temporary or permanent certificate of occupancy. In the event the alterations performed by a Unit Owner do adversely affect the issuance or validity of the certificate of occupancy then upon the written request of Declarant or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Condominium Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.5 Until such time as the initial construction of the Building is complete, including the completion of "punch list" work, neither the Condominium Board nor Unit Owner shall use or suffer to be used in any part of the Building any labor forces incompatible with the labor forces which are completing the construction of the Building on behalf of Declarant. In addition, the prosecution of the work necessary to complete initial construction of the Building, including the completion of "punch list" work by or on behalf of Declarant, shall take precedence over the prosecution of any other work at the Building.

6.12 **Alterations of Certain Common Elements.**

6.12.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Condominium Board, Mortgage Representative or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners (including the owner of any Unsold Unit), or the Condominium Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Condominium Board, Mortgage Representative or Unit Owner (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within 30 days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall

any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for Maintaining such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and residents of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the building.

6.12.2 Nothing contained in Subsection 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.13 **Restrictions on Use of Units.**

6.13.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Tower Unit shall be used for residential purposes only, except as otherwise herein expressly provided. A Tower Unit may be owned by an individual, corporation, partnership, limited liability company, fiduciary, limited liability company or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any embassy, consulate or other instrumentality thereof). A Tower Unit may only be occupied by (i) the individual Unit Owner (or members of such Unit Owner's family, guests or domestic employees), (ii) an officer, director, stockholder or employee of such corporation (or members of such Unit Owner's family, guests or domestic employees), (iii) a partner or employee of such partnership (or members of such Unit Owner's family, guests or domestic employees), (iv) the fiduciary or beneficiary of such fiduciary (or members of such Unit Owner's family, guests or domestic employees), or (v) a principal or employee of such other entity (or members of such Unit Owner's family, guests or domestic employees) as the case may be. Unless otherwise consented to by the Condominium Board, residents of a leased Tower Unit must be (a) an individual lessee (or members of such Unit Owner's family, guests or domestic employees), (b) an officer, director, stockholder or employee of a corporate lessee (or members of such Unit Owner's family, guests or domestic employees), (c) a partner or employee of a partnership lessee (or members of such Unit Owner's family, guests or domestic employees), (d) a fiduciary or beneficiary of a fiduciary lessee (or members of such Unit Owner's family, guests or domestic employees), or (e) a principal or employee of such other entity which is a lessee (or members of such Unit Owner's family, guests or domestic employees). "Members of such Unit Owner's family" or words of similar import whenever used herein shall be deemed to mean spouse, parents, parents-in-law, grandparents, brothers, sisters, children, stepchildren and grandchildren and nothing contained herein shall be deemed to prohibit the exclusive occupancy of any Tower Unit by such family members or guests. Notwithstanding the foregoing, the Condominium Board may consent to occupancy of a Tower Unit by persons other than those set forth above.

6.13.1.1 The Condominium Board, may, in its discretion, grant permission for the use of a Tower Unit as a professional office or for any other purpose, provided such use (1) is permitted by Law, (2) does not violate the then existing certificate of occupancy for such Tower Unit, (3) does not adversely affect the use and enjoyment of neighboring or adjacent Tower Units for residential purposes, and (4) complies with all applicable governmental regulations. Such permission by the Condominium Board shall be in writing and shall be personal to the Tower Unit Owner. Any successor in title to such Tower Unit shall be required to obtain the prior written approval of the Condominium Board before using such Tower Unit as a professional office or for any other purpose.

6.13.1.2 No portion of a Tower Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient resident (other than a guest permitted under this Subsection 6.14.1) may be accommodated therein.

6.13.1.3 Each Tower Unit Owner is obligated to notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Tower Unit. The Tower Unit Owner shall ensure that all operable windows opening into the Tower Unit comply with all applicable laws relating to window guards and, if necessary, install, operate and Maintain, at the Tower Unit Owner's expense, any additional equipment required by applicable Law. The Tower Unit Owner shall be obligated to Maintain all window guards installed in the Unit and not to remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent.

6.13.2 Notwithstanding the provisions of Subsection 6.14.1, Declarant or its designee may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Tower Unit as a professional office or for any purpose including, without limitation, use as a long or short term rental or other use, provided such use is permitted by Law, does not violate the certificate of occupancy for such Tower Unit (subject to Declarant's right to amend the certificate of occupancy to conform to use as provided in Section 6.14.5 of these By-Laws) and the user of such Unit complies with all applicable governmental regulations with respect to such use, and (b) use any Unsold Tower Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable Law.

6.13.3 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by a resident in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law.

6.13.4 The Base Units may be used for any purpose permitted by Law. In no event may the Condominium Board adopt or enforce any rule or regulation or any amendment to the Declaration or these By-Laws which would have the effect of restricting or limiting the operation of the Base Units.

6.13.5 Consistent with the foregoing, in the event Declarant or its designee or any Base Unit Owner seeks to change an existing use, Declarant, its designee and/or such Base Unit Owner shall have the right, from time to time, to amend the certificate of occupancy for the Building to reflect such changed usage. In the event required by applicable Law, the Condominium Board shall cooperate with the Declarant or its designee or any Base Unit Owner, at the requesting party's expense, execute all applications, authorizations and other instruments reasonably required to enable the Declarant or its designee or any Base Unit Owner to amend the certificate of occupancy, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any person having any claim for injury to person or damage to property arising therefrom. In addition to the foregoing, Declarant or its designee or any Base Unit Owner shall have the authority to execute the foregoing on behalf of the Condominium Board, in accordance with Section 6.11.3 of these By-Laws.

6.14 **Use of Common Elements.**

6.14.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.14.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the Common Elements or Limited Common Elements other than in (a) Tower Limited Common Elements for the exclusive use of a particular Tower Unit Owner or (b) in the areas designated as storage areas, with the prior consent of the Condominium Board as to the Tower Common Elements, the Residential Common Elements, the Rental Common Elements, the Commercial Common Elements or Base Limited Common Elements or the Condominium Board as to General Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.14.3 Tower Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise or other objects.

6.14.4 In the event that the Condominium Board erects a sidewalk bridge or other scaffolding at the Building, the Condominium Board shall give due regard to the use of the Base Units at the time in question and shall use best efforts to (i) minimize any disruption to the use of such Base Unit and (ii) not restrict ingress or egress through the exterior doorways to the Base Units. In furtherance thereof, the Condominium Board agrees to consult with the Base Unit Owners prior to the installation of such sidewalk bridge or other scaffolding and to permit the Base Unit Owners to install, at their cost and expense, signs upon the sidewalk bridge and scaffolding.

6.14.5 Except pursuant to rules adopted by the Condominium Board, which may not be adopted or amended without the representatives of the Base Units of the Condominium Board's consent, and the terms and provisions of the Declaration and these By-Laws, in no event shall the Condominium Board or Unit Owners impair, restrict or impede the use of the General Common Elements described in the Declaration, by the Base Unit Owners or anyone claiming by, through or under the Base Unit Owners including, but not limited to, the tenants and residents of any portion of the Base Units or their respective licensees or invitees.

6.14.6 The owner of any two (2) or more Tower Units, which Tower Units are serviced or benefited by any Common Element adjacent or appurtenant to such Tower Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Tower Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Tower Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation and Maintenance of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Tower Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Condominium Board. Notwithstanding the above, if an owner transfers or conveys its Tower Units to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.15 **Other Provisions as to Use.** No nuisance shall be allowed in the Residential Section nor shall any use or practice be allowed in the Residential Section which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Residential Section or any portion thereof. All valid Laws of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property. Except as otherwise provided in the Declaration, the Base Section may be used for any lawful purpose including, without limitation, residential use, department and other retail stores, health clubs, theaters, banks, restaurants, commercial and professional offices; and no sale, lease, sublease or use of all or any portion of the Base Section shall be deemed to adversely affect the Tower Section.

6.16 **Right of Access.**

6.16.1 Each Tower Unit Owner grants a right of access to such Unit Owner's Unit to the Condominium Board, the managing agents, managers, superintendents and/or any other person authorized by any of the foregoing. The Base Unit Owners, upon the same terms and conditions as set forth in Section 6.24.1, and the Tower Unit Owners grant a right of access to their respective Units to the Condominium Board, the managing agents, managers,

superintendents and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the Common Elements or Limited Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements or Limited Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the Common Elements or Limited Common Elements within such Unit Owner's Unit or elsewhere in the Building, or for the purpose of reading, Maintaining or replacing utility meters relating to the Common Elements or Limited Common Elements, Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by the tenants and residents of the Base Units or with the use of the Tower Units for their permitted purposes. In case of an Emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.16.2 Each Unit Owner grants a right of access to such Unit Owner's Unit, and the Board shall grant rights of access to the Common Elements and the respective Limited Common Elements to Declarant and its contractors, subcontractors, architects, engineers, agents and employees, for the completion of the Building and any punch list work therein, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

6.17 **Rules and Regulations.** Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Residential Rules and Regulations") concerning the use of the Tower Common Elements, the Rental Common Elements, the Residential Common Elements, the Tower Limited Common Elements and the General Common Elements. The Condominium Board may from time to time, modify, amend or add to the Residential Rules and Regulations. The Condominium Board shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Tower Unit Owners. The Condominium Board may adopt and from time to time, modify, amend or add to reasonable Rules and Regulations as they affect the use of the Base Units, the Commercial Common Elements and the Base Limited Common Elements, except that a Majority of the Base Unit Owners may overrule said Board with respect to any adoption, modification, amendment or addition and provided further that the Base Unit Owners having exclusive access to the Base Limited Common Elements, may overrule said board with respect to any adoption, modification, amendment or addition affecting such Base Unit Owner. The Condominium Board may adopt and from time to time, modify, amend or add to the Rules and Regulations as they affect the General Common Elements. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto, shall be furnished by the Condominium Board responsible therefor to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof.

6.18 **Real Estate Taxes, Water Charges and Sewer Rents.** Water and sewer services shall be supplied to and for all of the Units, the Common Elements and the Limited Common

Elements through one or more building systems by the City of New York or such other utility servicing the Unit. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered, and such charges shall be payable by the Unit Owners as Common Charges. Until the Units are separately assessed for real estate tax purposes, the Tower Unit Owners and Base Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (in the proportion that the Common Interest of all Tower Units or Base Units, as the case may be, bears to the Common Interests of all Units) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. Declarant reserves the right to collect such Common Charges at the closing of title to the Units. In the case of the Unsold Units, Declarant shall pay to the Condominium Board its allocable share of real estate taxes as Common Charges within two (2) business days of such real estate taxes being due and payable to the property taxing authorities. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. In the event of a proposed sale of any Tower Unit, the Condominium Board, on request of the selling Tower Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as the Condominium Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities.

6.19 **Gas**. Gas for the Residential Section will be supplied by the utility company servicing the gas distribution system and charges therefor shall be paid by the Condominium Board. The cost of gas consumed in the Residential Section will be borne by the Unit Owners as a Residential Common Charge. Gas consumed in the Commercial Section will be separately metered and billed directly to the Base Unit Owners.

6.20 **Electricity.** Electricity for each Tower Unit and each Base Unit (including tenants occupying portions of the Base Unit) shall be supplied by the utility company servicing the Units. The charges for electricity consumed by each Tower Unit Owner will be separately metered and billed directly to such Unit Owner by the utility provider. The charges for electricity consumed in the Residential Common Elements, the Tower Common Elements and the Rental Common Elements will be metered and billed to the Condominium Board as a Residential Common Expense and will be allocated to all Unit Owners according to Residential Common Interest. Each Unit Owner shall be required to pay the bills for electricity consumed or used in such Unit Owner's Unit (or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to the utility company as directed by the Condominium Board. The charges for electricity consumed by the Commercial Section will be separately metered and billed directly to the Base Unit Owners, or its tenants, as the case may be.

6.21 **Utilities Serving the General Common Elements.** Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting any Common Element shall be (a) considered part of the expense of maintaining such Common Element, (b) determined by the Condominium Board, and (c) charged to the Unit Owners as a Common Expense.

6.22 **Abatement and Enjoinment of Violations by Unit Owners.**

6.22.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board, the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Unit or Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.22.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant and the owner of any Unsold Tower Unit the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

6.22.3 In the event Condominium Board and/or the Declarant (hereinafter the "Creditor Party") takes any action or brings any proceeding against a Unit Owner (hereinafter the "Defaulting Unit Owner") pursuant to the provisions of this Section, the Defaulting Unit Owner shall reimburse the Creditor Party for all reasonable costs and charges incurred by the Creditor Party in connection therewith, including without limitation, attorneys fees, together with all reasonable out-of-pocket costs and expenses incurred by the Creditor Party, together with interest on all of the foregoing at the rate of interest of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) from the date of the payment or performance of the service by the Creditor Party or due date (if otherwise provided herein), until fully paid by the Defaulting Unit Owner. The Creditor Party may bill the Defaulting Unit Owner therefor at any time. Funds expended by the Creditor Party plus interest earned thereon, as aforesaid, shall be deemed a charge assessed against the Defaulting Unit Owner's Unit and the failure to make such reimbursement shall be deemed a default in the payment of Common Charges subject to the provisions governing such defaults as set forth in the Condominium Act and the By-Laws and the Condominium Board, upon receipt of such funds from the Defaulting Party shall promptly reimburse the Creditor Party.

ARTICLE 7

MORTGAGES

7.1 **Notice to Board.** A Unit Owner who mortgages such Unit Owner's Unit, or the holder of any mortgage encumbering such Unit, shall notify the Condominium Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. The mortgage secured by a Unit shall be substantially in the form of the New York Board of Title Underwriters or such other forms customarily used by lenders making loans secured by individual residential condominium units. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering such Unit Owner's Unit

shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Condominium Board shall maintain such information in a book entitled "Mortgages of Units."

7.2 **Notice of Default and Unpaid Common Charges.** Whenever so requested in writing by a Permitted Mortgagee of any Unit, the Condominium Board with respect to Permitted Mortgagees of Units shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which of which the Condominium Board may have received notice.

7.3 **Performance by Permitted Mortgagees.** The Condominium Board shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner. In the event that more than one Permitted Mortgage is secured by a Unit, the senior Permitted Mortgagee shall be entitled to take all actions permitted under this Article unless all the Permitted Mortgagees otherwise designate a different Permitted Mortgagee to so act, by notice to the Condominium Board.

7.4 **Examination of Books.** Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

7.5 **Representatives of Mortgagees.**

7.5.1 In the manner more particularly set forth in Subsection 7.4.2, the holders of Permitted Mortgages (as hereinafter defined) secured by Units, may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Permitted Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Condominium Board, the act of any such Representative (or a majority of such Representatives if more than one is so designated) shall be deemed binding upon the holders of all Permitted Mortgages. As referred to in this Section 7.5.1, Permitted Mortgagees shall include, without limitation, the Construction Lender, for so long as the Construction Loan is duly in effect, given by Declarant to acquire and construct the Property.

7.5.2 Any designation of a Mortgage Representative made by the holders of Permitted Mortgages, constituting a majority in principal amount of all Permitted Mortgages shall be binding upon the holders of all Permitted Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Condominium Board. Unless otherwise required by Law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives pursuant to the Declaration or these By-Laws. For so

long as Construction Lender (or any one Permitted Mortgagee who is not also the Construction Lender), holds a majority in principal amount of all Permitted Mortgages, Construction Lender shall be the Mortgage Representative.

7.6 **Consent of Mortgagees.** Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against such Unit Owner's mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 **Selling and Leasing.** No Unit Owner, other than Declarant, Base Unit Owners or their respective designee may sell or lease such Unit Owner's Unit except by complying with the following provisions.

8.1.1 Any Unit Owner who receives a bona fide offer to (a) purchase such Unit Owner's Unit together with its appurtenant Common Interest, or (b) lease such Unit Owner's Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer," the party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which the Offeree Unit Owner intends to accept, shall give notice by certified or registered mail, return receipt requested, to the Condominium Board and the Rental Unit Owner of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or intended occupancy date in the event of a lease) and such other information as the Condominium Board may reasonably require. The giving of such notice to the Condominium Board, on behalf of all the Unit Owners represented by the Condominium Board, and to the Rental Unit Owner together with a copy of the fully executed contract of sale for such Unit, shall constitute an offer by the Offeree Unit Owner to sell such Unit Owner's Unit together with its appurtenant Common Interest or to lease such Unit Owner's Unit to the Condominium Board, or its designee, corporate or otherwise, or to the Rental Unit Owner upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board acting on behalf of all Unit Owners or to the Rental Unit Owner that the Offeree Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Condominium Board or the Rental Unit Owner may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the Condominium Board or the Rental Unit Owner may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, (either party of which shall have such right within such time period, on a first-come first served basis) by hand delivery or by certified or registered mail, return receipt requested, to purchase such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners represented by the Condominium

Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

8.1.2 In the event the Condominium Board or the Rental Unit Owner shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Condominium Board or the Rental Unit Owner, as the case may be, in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by the Condominium Board or the Rental Unit Owner, as the case may be, of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Condominium Board or the Rental Unit Owner, as the case may be, elects to accept such offer. Notwithstanding the foregoing, in the event that the closing date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than 45 days after the giving of notice by the Condominium Board or the Rental Unit Owner, as the case may be, of its election to accept the aforesaid offer, the Condominium Board or the Rental Unit Owner, as the case may be, shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a downpayment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Condominium Board or the Rental Unit Owner, as the case may be, referred to in 8.1.1 as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Condominium Board or the Rental Unit Owner, as the case may be, may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Condominium Board, or to its designee, corporate or otherwise, on behalf of all Unit Owners, or to the Rental Unit Owner, or to its designee, corporate or otherwise, as the case may be, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board, or the Rental Unit Owner, or its designee, corporate or otherwise, as the case may be, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Condominium Board, or to the Rental Unit Owner, or to its designee, corporate or otherwise, as the case may be, a lease between the Offeree Unit Owner, as landlord, and the Condominium Board, or the Rental Unit Owner, or its designee, corporate or otherwise, as the case may be, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Condominium Board or the Rental Unit Owner, as the case may be, or its designee shall fail to accept such offer within 20 days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional 60 days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing the Outside Offer, or if the Offeree

Unit Owner shall accept the Outside Offer within such 60-day period but such sale or lease, as the case may be, shall not be consummated within an additional 60 days following the expiration of such 60-day period, then, should such Offeree Unit Owner thereafter elect to sell such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Condominium Board, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the 60 day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent with these By-Laws and shall provide that it may not be materially modified, amended or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign such Unit Owner's interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board and that the Condominium Board, if permitted by applicable Law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Condominium Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Condominium Board which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Condominium Board. Any lease executed by the Condominium Board as tenant shall provide that the Condominium Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units, the Base Units or Units rented to or by Declarant or its designee (or any condominium units into which the Units may hereafter be divided). Declarant or its designee shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units without having to first offer the same for sale or lease to the Condominium Board or the Rental Unit Owner or pay any fees or costs to the Condominium Board.

8.2 **Consent of Tower Unit Owners to Purchase or Lease of Tower Units by Condominium Board.** The Condominium Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of Unit Owners and subject to the right of the Declarant to veto such purchase or lease in accordance with these By-

Laws. However, the Condominium Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 **Sovereign Immunity.** Notwithstanding anything to the contrary set forth above, before any Tower Unit is conveyed to a government or governmental mission, or to a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America or elsewhere, the Condominium Board may require that the potential grantee enter into an agreement with the Condominium Board, on terms acceptable to the Condominium Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably waives, to the full extent permitted by law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee, and with respect to any and all other intended residents of the Unit, any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise, (and diplomatic and consular immunity, if applicable) from any legal or equitable proceedings in the United States of America or elsewhere, brought by the Condominium Board or any other party claiming with respect to the Unit (including without limitation, immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of that party's property from attachment prior to entry of judgment and from attachment in aid of execution, and from execution itself, upon a judgment), (iii) agrees that any legal action or proceeding with respect to the Unit may be brought in the courts of the State of New York, and in the City of New York, or in the United States District Court for the Southern District of New York, as the Condominium Board shall elect, and (iii) permits execution and enforcement of any judgment obtained by the Condominium Board. The foregoing provisions do not apply to sales of Unsold Tower Units.

8.4 **No Severance of Ownership.** No Tower Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to such Unit Owner's Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.4 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.5 **Release by Condominium Board of Right of First Refusal.** The right of first refusal contained in 8.1 may be released or waived by the Condominium Board and/or the Rental Unit Owner only in the manner provided in this Section 8.5. In the event the Condominium Board shall release or waive its right of first refusal as to any Unit, such Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions

of Subsections 8.1.1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3.

8.6 **Certificate of Termination of Right of First Refusal.** A certificate executed by an officer of the Condominium stating that the provisions of Subsection 8.1.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Condominium Board and/or the Rental Unit Owner, and that as a result thereof the rights of the Condominium Board and/or the Rental Unit Owner thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3), shall be conclusive upon the Condominium Board and/or the Rental Unit Owner and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Condominium Board and/or the Rental Unit Owner shall furnish such certificate upon request to any Unit Owner with respect to whom the provisions of Subsection 8.1.1 have, in fact, terminated.

8.7 **Financing of Purchase of Units by Condominium Board.** The purchase of any Unit by the Condominium Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to such Unit Owner's respective Common Interest, as a Common Charge, and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its (their) appurtenant Common Interest(s).

8.8 **Exceptions.** The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to such Unit Owner's spouse, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant or its designee, (c) the Condominium Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or such Unit Owner's nominee, who has acquired title to any Unit at any foreclosure sale of such Unit Owner's Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit subject to, the provisions of this Article 8. The term "affiliate" shall be deemed to be an individual or entity which owns more than 50% of the beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50% of the legal and beneficial interest. In the event a Unit Owner is not a natural person, the provisions of Section 8.1 shall apply to any lease, sale or conveyance of the beneficial or legal ownership of such Unit Owner to any party which is not an affiliate of the Unit Owner.

8.9 **Gifts and Devises, etc.** Any Tower Unit Owner shall be free to convey or transfer such Unit Owner's Tower Unit by gift, or may devise such Unit Owner's Tower Unit by will or have such Unit Owner's Tower Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Tower Unit Owner shall be

bound by, and such Unit Owner's Tower Unit shall remain subject to, the provisions of this Article 8.

8.10 **Unauthorized Sales or Leases of Tower Units.** Any purported sale or lease of a Unit consummated in violation of Sections 8.1, or 8.4 or 8.9 shall be voidable at the election of the Condominium Board and if the Condominium Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Condominium Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.11 **Charges Imposed on Sale or Lease of Tower Units.** If permitted by Law, the Condominium Board shall be entitled to fix by resolution and collect, before any sale or lease of a Tower Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Condominium Board, in connection with the sale or lease. If such charge is adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charge shall not apply to the lease of a Tower Unit to Declarant or its designee, to the sale or lease of Unsold Tower Units by Declarant or its designee, or to the sale or lease of Unsold Tower Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Tower Units.

8.12 **Power of Attorney.** At the time of acquiring title to a Tower Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the City Register's Office, the Power of Attorney required by Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.13 **Notices Concerning Tower Unit Occupancy.** Within five (5) days following acquisition of a Tower Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.14 **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common.** In the event that any Unit shall be acquired by the Condominium Board, or its respective designees, corporate or otherwise, on behalf of all Tower Unit Owners or the Base Unit Owners, as the case may be, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.15 **Payment of Assessments.** No Tower Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease such Unit Owner's Tower Unit unless and until the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges theretofore assessed by the Condominium Board against such Tower Unit and until such Tower

Unit Owner shall have satisfied all unpaid liens against such Unit Owner's Tower Unit other than Permitted Mortgages.

8.16 **Mortgage of Units.** Subject to Article 7 and Section 8.15, each Unit Owner shall have the right to mortgage such Unit Owner's Unit without restriction, provided that, with respect to any mortgage covering a Tower Unit, the Tower Unit Owner making such mortgage shall notify in writing the Condominium Board of the making of such mortgage.

8.17 **Lease or Purchase of Tower Unit or Other Apartment for Superintendent's/Resident Manager Residence.** The Condominium Board shall have the right to lease or purchase and finance the purchase of a Tower Unit or other apartment for the Resident Manager's Apartment (whether or not in the Building) and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease, purchase or financing without the approval of a Majority of Unit Owners.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, the Condominium Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Condominium Board. The award made for any such taking shall be payable to the Condominium Board responsible for the repair and restoration thereof, as aforesaid; provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be borne and shared by all Unit Owners with respect to any taking of the Common Elements pro rata, as follows: first, to the Unit Owners in accordance with their respective Common Interests; thereafter, the Condominium Board shall allocate such deficit or surplus, as the case may be, pro rata, in accordance with their respective Common Interests. Notwithstanding any provisions contained herein to the contrary, in the event that 75% or more of all the Common Interest of all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of the Condominium, then such repairs or restorations of the Common Elements shall not be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners pro rata in accordance with their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9 the words "promptly resolve" shall mean not more than 60 days from the date of such taking.

ARTICLE 10

RECORDS AND AUDITS

10.1 **Records.** The Condominium Board or the managing agent, if any, shall keep detailed records of the actions of the Condominium Board, minutes of the meetings of the Condominium Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Condominium Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Condominium Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 **Audits.** Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by the Condominium Board to all Unit Owners, and, if so requested, to any Permitted Mortgagee. The cost of such report shall be paid by all Unit Owners as a Common Expense.

10.3 **Availability of Documents.** Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 11

ARBITRATION

11.1 **General Procedure.** Any arbitration provided for in these By-Laws shall be conducted in accordance with the provisions of this Article 11 (an "Arbitration"). Each Arbitration shall be conducted before one (1) arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York having jurisdiction over the matter. The decision of the arbitrator so chosen shall be given within ten (10) days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any Arbitration under this Article 11 shall be a lawyer or real estate owner, developer, or manager familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen (15) years.

11.2 **Costs and Expenses.** The fees, costs and expenses of the arbitrator will be borne by the losing party in the Arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants unless otherwise set by the arbitrator. Each disputant will also bear the fees and expenses of such Unit Owner's counsel and expert witnesses. All costs and expenses paid or

incurred by the Condominium Board in connection with any Arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute General Common Expenses.

11.3 **Agreement by Parties.** The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 **Waiver.** No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 **Captions.** The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 **Certain References.**

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4 **Severability.** Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 **Insurance Trustee.** The Insurance Trustee shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. For so long as Sponsor and/or Declarant controls the

Board or has a right to designate at least one (1) Condominium Board member, the Insurance Trustee will be PB Capital Corporation, for so long as PB Capital Corporation shall be the Construction Lender. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 **Successors and Assigns.** Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all then Unsold Tower Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Base Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Base Unit Owners. Subject to the foregoing, Declarant, its designee, and/or the Base Unit Owners, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 **Covenant of Further Assurances.**

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, a resident of a Unit, a member or officer of the Condominium Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Condominium Board representing such Unit Owners, stating the reasons why such Unit Owner or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board, or other party is hereby authorized, as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

12.7.3 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to

execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Condominium Board representing such Unit Owners stating the reasons why such Unit Owner, Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 13

AMENDMENT TO BY-LAWS

13.1 **Amendments by Unit Owners.** Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these by-laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee or any Unsold Units, (i) no amendment, modification, addition or deletion pursuant to the provisions above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (ii) the provisions of this Section 13.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as the case may be), 80% in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

13.2 **Amendments Affecting Declarant or its Designee.** Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of Declarant or its designee or the owner of any Unsold Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant or its designee or the owner of any Unsold Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Unit, as the case may be, or (b) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration, or

the Rules and Regulations modifying the permitted uses of such Unsold Unit, or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit. Declarant shall have the right to amend the By-Laws, without the consent of the Condominium Board or any other Unit Owner, to effectuate the rights otherwise granted to Declarant under the terms of the Declaration and these By-Laws.

13.3 **Amendments Affecting Permitted Mortgagees.** Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7 or 6.1, 6.2, 6.4.2, 6.4.3, 8.7, 8.10 or this Article 13 shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

ARTICLE 14

AMENDMENTS CONCERNING BASE SECTION

Amendments, modifications, additions or deletions of or to the Declaration, these By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Base Section or the further subdivision of any Base Units into separate condominium units and/or the offering for sale or lease of all or any portion of the Base Units and it is contemplated that in connection therewith the Condominium Board will cause the Declaration, these By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the Tower Section and Tower Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Tower Section, or any Tower Unit Owners, the Condominium Board shall be the attorney-in-fact for the Tower Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion.

SCHEDULE A

RULES AND REGULATIONS OF THE TOWER SECTION

1. The entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Tower Section shall not be obstructed or used for any other purpose than ingress to and egress from the Tower Units and Rental Apartments.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Tower Section, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Tower Section.

3. Neither residents nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, stairways or fire towers of the Tower Section.

4. No public hall or public elevator vestibule of the Tower Section shall be decorated or furnished by any Tower Unit Owner in any manner.

5. Each Tower Unit Owner shall keep such Unit Owner's and any Limited Common Elements appurtenant thereto (including the surface of any Terrace and/or Balcony appurtenant thereto) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. The type, size and quantity of plantings and other installations to be placed on Terrace and/or Balcony and the rights of Tower Unit Owners to paint and decorate Terrace and/or Balcony shall be subject to the prior written approval of the Condominium. Any determination as to what constitutes a good state of preservation and cleanliness for any Tower Unit Owner's Terrace and/or Balcony shall be within the sole but reasonable discretion of the Condominium Board.

6. No window guards or window decorations shall be used in or about any Tower Unit, unless otherwise required by Law, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed.

7. No radio, television aerial, satellite, disk or similar devices shall be attached to or hung from the exterior of the Tower Section and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Tower Section except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent, nor shall anything be projected from any door or window of the Tower Section without similar approval, except as may otherwise be provided by Law.

8. No heat, ventilator or air conditioning device shall be installed in any Tower Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

9. All radio, television or other electrical equipment of any kind or nature installed or used in each Tower Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Tower Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Tower Unit Owner's Tower Unit.

10. No velocipedes, bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Condominium Board or the Managing Agent for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Tower Section.

11. No Tower Unit Owner shall make or permit any disturbing noises or activity in the Tower Section, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or residents of the Base Section. No Tower Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph, radio, television computer, stereo or other loud speaker in such Tower Unit Owner's Tower Unit between 11:00 P.M. and the following 7:00 A.M., if the same shall disturb or annoy other residents of the Building, unless the same shall have the prior written consent of the Condominium Board. No construction or repair work or other installation involving noise shall be conducted in any Tower Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.

12. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition), shall be permitted, kept or harbored in a Tower Unit without the same in each instance having been expressly permitted in writing by the Condominium Board or the Managing Agent and such consent, if given, shall be revocable by the Condominium Board or such managing agent in their sole discretion, at any time. In no event shall any Tower Unit Owner maintain more than two (2) pets in a Tower Unit without the consent of the Condominium Board nor shall any bird, reptile, or animal be permitted in any public elevator in the Tower Section, other than the elevators designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Tower Section, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Tower Section or on the sidewalk or street adjacent to the Building. Each Tower Unit Owner who keeps any type of pet in such Tower Unit Owners Unit may be required to enter into an agreement with the Condominium Board setting forth such other rules regarding pets as the Condominium Board shall deem suitable and indemnifying and holding harmless the Condominium, all Tower Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet.

13. Servants, messengers and tradespeople visiting or residing in the Tower Section may be required to use the elevators designated by the Condominium Board or the Managing Agent for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses in the employ of Tower Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants.

However, a guest or visitor of a Tower Unit Owner may use any of the Tower passenger elevators freely, if authorized by such Unit Owner.

14. All service and delivery persons may be required to use the service entrance unless otherwise directed. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Tower Unit Owners. Deliveries, if made, will be made from the package room to individual Tower Units only by building personnel or as otherwise directed by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Tower Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Tower Units after such service or delivery persons have received approval for such delivery from the Tower Unit Owner.

15. Trunks and heavy baggage shall be taken in or out of the Tower Section by the elevators designated by the Condominium Board or the Managing Agent for that purpose, and through a designated entrance only.

16. No refuse from the Tower Section shall be sent to the below grade levels of the Building except at such times and in such manner as the Condominium Board or the Managing Agent may direct.

17. Water-closets and other water apparatus in the Tower Section shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Tower Unit shall be repaired and paid for by the Tower Unit Owner of such Unit.

18. No resident of the Tower Section shall send any employee of the Tower Section , Condominium or of the Managing Agent out of the Building on any private business.

19. The agents of the Condominium Board or the Managing Agent, and any contractor or worker authorized by the Condominium Board or the Managing Agent, may enter any room or Tower Unit at any reasonable hour of the day, on at least one day's prior written notice to the Tower Unit Owner, for the purpose of inspecting such Tower Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Tower Unit for its permitted purposes.

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

21. The Condominium Board or the Managing Agent may retain a passkey to each Tower Unit. If any lock is altered or a new lock is installed, the Condominium Board or the

Managing Agent shall be provided with a key or proximity reading keyfob (or other similar electronic locking device) thereto immediately upon such alteration or installation. If the Tower Unit Owner is not personally present to open and permit an entry to such Unit Owner's Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key or proximity reading keyfob (or other similar electronic locking device) to the Condominium Board or such Managing Agent, then the Condominium Board or such Managing Agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of the Condominium Board or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

22. No vehicle belonging to a Tower Unit Owner or to a member of the family or guest, tenant or employee of a Tower Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building.

23. Complaints regarding the services of the Tower Section shall be made in writing to the Condominium Board or to the Managing Agent.

24. Any consent or approval given under these Residential Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Condominium Board, at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board, be conditional.

25. Tower Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; (f) refrain from depositing waste of an explosive nature therein; (g) observe all Laws regarding the recycling of refuse then imposed by governmental agencies having jurisdiction thereover and (h) observe any additional recycling rules established by the Condominium Board.

26. Except as permitted under the Declaration and By-Laws, Tower Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

27. Tower Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units or any public portions of the Building.

28. No Tower Unit Owners or any of such Unit Owner's agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

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

30. Nothing shall be done or kept in any Tower Unit or in the Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Tower Unit Owner shall permit anything to be done or kept in such Unit Owner's Unit or in the Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any Law. No waste shall be committed in the Common Elements.

31. The Condominium Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

32. No group tour or exhibition of any Tower Unit or its contents shall be conducted, nor shall any auction sale be held in any Tower Unit, without the prior consent of the Condominium Board or the Managing Agent.

33. In the event that any Tower Unit is used for home occupation purposes which are permitted by Law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

34. Unless expressly authorized by the Condominium Board in each case, at least 80% of the floor area of each Tower Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

35. There will be no barbecuing in the Tower Units or in their Limited Common Elements (including Terrace and/or Balcony), or the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

36. The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all residents, any rule or regulation at any time prescribed for the Tower Section when, in the reasonable judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Residential Section, or the preservation of good order therein, or the operation or Maintenance of the Residential Section, or the equipment thereof, or the comfort of Tower Unit Owners or others in the Residential Section. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Tower Unit Owners shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other resident.

37. No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terrace and/or Balcony, other than furniture of the kind usually maintained in outdoor areas.

EXHIBIT "8"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

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

Re: Condominium Offering Plan
The Caledonia
450 West 17th Street
New York, New York 10011

Gentlemen:

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

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

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

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

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

(iii) not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

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

SPONSOR:

450 West 17th Associates LLC

Sworn to before me this
21 day of JUNE, 2006.

Notary Public
CYNTHIA MARGARETEN
Notary Public, State of New York
No. 01MA4884255
Qualified in Nassau County
Commission Expires January 26, 20 07

By: 17th and 10th Associates LLC, its sole member
By: Taconic 17th and 10th Associates LLC, a member
By: Taconic 17th and 10th Owners LLC, Managing Member
By: Taconic 17th and 10th Principals LLC, its managing member

By: _____
Name: Charles R. Bendit
Title: Managing Member

Sworn to before me this
21 day of JUNE, 2006.

Notary Public
CYNTHIA MARGARETEN
Notary Public, State of New York
No. 01MA4884255
Qualified in Nassau County
Commission Expires January 26, 20 07

By: Related 17th and 10th Associates LLC, a member
By: The Related Companies, L.P., its sole member
By: The Related Realty Group, Inc., its general Partner

By: _____
Name: Greg Gushee
Title: Vice President

By: Abington 1710 LLC

Sworn to before me this
21 day of JUNE, 2006.

Notary Public
CYNTHIA MARGARETEN
Notary Public, State of New York
No. 01MA4884255
Qualified in Nassau County
Commission Expires January 26, 20 07

_____
Name: MARK KALIKIAN
Title:

SPONSOR'S PRINCIPALS:

Sworn to before me this 21
day of JUNE, 2006.

Notary Public

CYNTHIA MARGARETEN
Notary Public, State of New York
No. 01MA4884255
Qualified in Nassau County
Commission Expires January 26, 20 07

Greg Gushee

Sworn to before me this 17
day of July, 2006.

Notary Public

Pearl Buitron
Notary Public, State of New York
#01BU6114488
Qualified in Queens County
My Commission Expires August 16, 20

Stephen M. Ross

Sworn to before me this 21
day of June, 2006.

Notary Public

Pearl Buitron
Notary Public, State of New York
#01BU6114488
Qualified in Queens County
My Commission Expires August 16, 20

Jeff T. Blau

Sworn to before me this 21
day of June, 2006.

Notary Public

Pearl Buitron
Notary Public, State of New York
#01BU6114488
Qualified in Queens County
My Commission Expires August 16, 20

David J. Wine

Sworn to before me this 19
day of June, 2006.

Notary Public

LENORE G. SOTELO
Notary Public, State of New York
No. 01SO4827575
Qualified in Nassau County
Commission Expires Sept. 30, 20 06

Paul Pariser

Sworn to before me this 21
day of JUNE, 2006.

Notary Public

CYNTHIA MARGARETEN
Notary Public, State of New York
No. 01MA4884255
Qualified in Nassau County
Commission Expires January 26, 20 07

Bruce A. Beal, Jr.

Sworn to before me this 21
day of JUNE, 2006.

Notary Public

CYNTHIA MARGARETEN
Notary Public, State of New York
No. 01MA6066955
Qualified in Nassau County
Commission Expires January 26, 20

Charles R. Bendit

Sworn to before me this 21
day of June, 2006.

Notary Public

Jean Buitron
Notary Public, State of New York
#01BU6114488
Qualified in Queens County
My Commission Expires August 16, 20

Bryan Cho

EXHIBIT "9"

CERTIFICATION OF SPONSOR'S ARCHITECT

HANDEL ARCHITECTS LLP

Gary E. Handel AIA
D.B. Middleton AIA
Glenn Rescalvo AIA
Frank Fusaro AIA
Michael Arad AIA

Architect's Certification

The undersigned, Gary Edward Handel, certifies as follows:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me to prepare a report describing the construction of the property located at 450 W. 17th Street, New York, NY (the "Report"). I examined the building plans and specifications that were prepared by my firm Handel Architects LLP, dated August 3, 2006, a copy of which is to be incorporated into the offering plan so that prospective purchasers may rely on the report. I am a registered architect in New York State, the State in which the property is located.

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

I have read the entire Report dated August 3, 2006 and investigated the facts set forth in the Report and the facts underlying it with due diligence relying on my knowledge, understanding and belief in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the report:

i. Sets forth in narrative form the description of the entire property as it will exist upon completion of construction, provided that the construction is in accordance with the plans and specifications that I examined;
ii. In my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that the construction is in accordance with the plans and specifications that I examined;
iii. Does not omit any material fact;
iv. Does not contain any untrue statement of a material fact;
v. Does not contain any fraud, deception, concealment, or suspension;
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
    a. knew the truth;
    b. with reasonable effort could have known the truth;
    c. made no reasonable effort to ascertain the truth; or
    d. did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my 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.

Sworn to before me this

4 day of Aug., 2006

Handel Architects LLP

DIN E. TOLBERT
NOTARY PUBLIC-STATE OF NEW YORK
No. 01TO6144443
Qualified in Queens County
My Commission Expires April 24, 2010

Notary Public

Stamp

EXHIBIT "10"

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

PENMARK
REALTY CORP

PART 20: CERTIFICATION BY EXPERT AS TO ADEQUACY OF BUDGET

July 11, 2006

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

Re: Condominium Offering Plan
450 West 17th Street
The Caledonia Condominium
New York, New York ("Property")

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedules B and B-1 containing projections of income and expenses for the first year of condominium operation. Penmark Realty has been engaged in the management of residential real estate for the past 40 years, manages approximately 35 cooperative and condominium buildings and is licensed as a real estate broker in the State of New York.

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

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

We certify that the projections in Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

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

(ii) 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:

(a) knew the truth;

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

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

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

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the condominium offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

PENMARK REALTY CORPORATION

By: _____
Name: Bernard Friedman
Title: President

Sworn to before me this
12th day of _____, 2006

_____
Notary Public

IRENE BOOKER
NOTARY PUBLIC, STATE OF NEW YORK
ID No. 01BO602715
QUALIFIED IN QUEENS COUNTY
MY COMMISSION EXPIRES 02/17/2010

EXHIBIT "11"

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY BASE UNIT OWNERS

PENMARK
REALTY CORP

PART 20: CERTIFICATION BY EXPERT
CONCERNING ADEQUACY OF COMMON CHARGES
PAYABLE BY THE COMMERCIAL UNIT OWNER

July 11, 2006

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

Re: Condominium Offering Plan
450 West 17th Street
The Caledonia Condominium
New York, New York ("Property")

The sponsor of the condominium offering plan for the captioned property retained our firm to review or prepare Schedule B which includes projections of common charges payable by the owner of the commercial unit. Penmark Realty Corporation has been engaged in the management of residential real estate for the past 40 years, manages approximately 35 cooperative and condominium buildings. Including buildings with commercial space, and is licensed as a real estate broker in the State of New York.

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

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

We certify that the projections in Schedule B for common charges payable by the owners of commercial unit(s) appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit(s) for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit(s) also reflects special or exclusive use or availability or exclusive control of particular common areas.

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

(i) sets forth in detail the projected common charges for the commercial unit(s) for the first year of condominium operation;

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

(iii) do not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit(s) for the first year of condominium operation.

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

PENMARK REALTY CORPORATION

By: _____
Name: Bernard Friedman
Title: President

Sworn to before me this
12th day of July, 2006

_____
Notary Public

IRENE BOOKER
NOTARY PUBLIC, STATE OF NEW YORK
ID No. 01BO602715
QUALIFIED IN QUEENS COUNTY
MY COMMISSION EXPIRES 02/17/2010

PENMARK
REALTY CORP

EXHIBIT "12"

ESCROW AGREEMENT FOR OFFERING PLAN

ESCROW AGREEMENT FOR OFFERING PLAN

AGREEMENT made this 11th day of July 2006, between 450 West 17th Associates LLC ("SPONSOR") as sponsor of the Offering Plan (defined below) and Michael, Levitt, Goldberger & Rubenstein, LLC ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the sponsor of an offering plan for premises known as The Caledonia Condominium, New York, New York (the "Offering Plan"); and

WHEREAS, Michael, Levitt, Goldberger & Rubenstein, LLC is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

A. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1. ESCROW AGENT has established a master escrow account for the purpose of holding deposits, Deposits, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at Bank of America, Escrow Management Services, at its branch located at 1 Fleet Way, Scranton, PA 18507 entitled Michael, Levitt, Goldberger & Rubenstein, LLC Caledonia Escrow Account, Escrow Account No. [redacted] (the "Master Escrow Account").

2. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. At such time as ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, from a Purchaser, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow savings account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

3. Partners or attorneys employed by ESCROW AGENT are the sole signatories on the Master Escrow Account.

4. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

5. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Contract of Sale (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event Purchaser defaults.

B. DEPOSITS INTO THE ESCROW ACCOUNT.

1. All funds received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Michael, Levitt, Goldberger & Rubenstein, LLC, as Escrow Agent." Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2. Within ten (10) business days after tender of the Deposit submitted with the Agreement or subscription agreement ("Contract of Sale"), ESCROW AGENT shall notify the Purchaser of the deposit of such funds in the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Contract of Sale and rescind within ninety (90) days after tender of the Deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Attorney General's regulations and requisite notice was timely mailed to the Purchaser.

C. RELEASE OF FUNDS.

1. Consummation of the Offering Plan does not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

2. ESCROW AGENT shall continue to hold the Deposit in escrow until otherwise directed in (a) a writing signed by both Sponsor and Purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to: (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

4. In the event SPONSOR and a Purchaser close title under the Contract of Sale, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

5. Except as otherwise set forth above, if there is no written agreement between the parties to release the Deposit, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Deposit may be paid to SPONSOR unless the Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions

contained in the Attorney General's regulations and ESCROW AGENT has received notice from the Purchaser in accordance with such provisions.

D. RECORDKEEPING.

1. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven years after release of the funds.

2. Upon the dissolution of ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

3. ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

E. GENERAL OBLIGATIONS OF ESCROW AGENT.

1. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

2. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

3. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Contract of Sale, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

4. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

5. ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

6. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

F. RESPONSIBILITIES OF SPONSOR.

1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a member of or employed by ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

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.

3. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or Form W-8BEN, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Contract of Sale.

G. TERMINATION OF AGREEMENT.

1. This Agreement shall remain in effect unless and until it is canceled by either

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation; or

(c) all shares or units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 (a) or (b) above, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all contracts or documents maintained by ESCROW AGENT relating to such funds to the new escrow agent.

H. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

I. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

J. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

K. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

L. INDEMNIFICATION

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

M. ENTIRE AGREEMENT.

This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT

MICHAEL, LEVITT, GOLDBERGER & RUBENSTEIN, LLC

By: _____
Name: JEFFREY A. LEVITT
Title: MANAGER

SPONSOR:

450 West 17th Associates LLC

By: 17th and 10th Associates LLC, its sole member
By: Taconic 17th and 10th Associates LLC, a member
By: Taconic 17th and 10th Owners LLC, Managing Member
By: Taconic 17th and 10th Principals LLC, its managing member

By: _____
Name: Charles R. Bendit
Title: Managing Member

By: Related 17th and 10th Associates LLC, a member
By: The Related Companies, L.P., its sole member
By: The Related Realty Group, Inc., its general Partner

By: _____
Name: Greg Gushee
Title: Vice President

By: Abington 1710 LLC

By: _____
Name:
Title:

EXHIBIT "13"

FORM W-9

Form **W-9**
(Rev. November 2005)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ► .....

☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
___ ___ ___ - ___ ___ - ___ ___ ___ ___

or

Employer identification number
___ ___ - ___ ___ ___ ___ ___ ___ ___

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here Signature of U.S. person ► Date ►

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

• The U.S. grantor or other owner of a grantor trust and not the trust, and

• The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over $600 required to be reported and direct sales over $5,000 [1]	Generally, exempt recipients 1 through 7 [2]

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at *www.socialsecurity.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting *www.irs.gov* or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5. Sole proprietorship or single-owner LLC	The owner [3]
For this type of account:	**Give name and EIN of:**
6. Sole proprietorship or single-owner LLC	The owner [3]
7. A valid trust, estate, or pension trust	Legal entity [4]
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

[4] List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

EXHIBIT "14"

FORM W-8BEN
CERTIFICATE OF FOREIGN STATUS OF BENEFICIAL OWNER FOR UNITED STATES TAX WITHHOLDING

Form **W-8BEN**
(Rev. February 2006)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for:	Instead, use Form:
• A U.S. citizen or other U.S. person, including a resident alien individual	W-9
• A person claiming that income is effectively connected with the conduct of a trade or business in the United States	W-8ECI
• A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions)	W-8ECI or W-8IMY
• A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions)	W-8ECI or W-8EXP

Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

• A person acting as an intermediary	W-8IMY

Note: *See instructions for additional exceptions.*

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of .....within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article .....of the treaty identified on line 9a above to claim a .....% rate of withholding on (specify type of income): .....

Explain the reasons the beneficial owner meets the terms of the treaty article: .....

.....

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

1 I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,

2 The beneficial owner is not a U.S. person,

3 The income to which this form relates is (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income, **and**

4 For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ .....
Signature of beneficial owner (or individual authorized to sign for beneficial owner) — Date (MM-DD-YYYY) — Capacity in which acting

EXHIBIT "15"

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DEPOSITS

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DEPOSITS

(Send this application to the reviewing attorney assigned to the subject plan.)

Re: _____
Address of Building or
Name of Project

File Number: _____

Application is made to the Attorney General to consider and determine the disposition of Deposits held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name of Applicant _____

2. Address of Applicant _____

3. Name, Address, and Telephone Number of Applicant's Attorney (if any) _____

4. This is an application for

   return of Deposit.
   forfeiture of Deposit.
   other: _____

5. The project is
   [ ] a conversion of occupied premises.
   [ ] newly constructed or rehabilitated.
   [ ] vacant (as is).

6. The project is structured as
   [ ] a cooperative.
   [ ] a condominium.
   [ ] a homeowners association.
   [ ] a time share.
   [ ] other: _____

7. Name and Address of Sponsor: _____

8. Name and Address of Escrow Agent: _____

9. If Deposits are maintained in an escrow account:
   (a) Name of account _____
   (b) Name and address of bank _____
   (c) Account number (if known) _____
   (d) Initial interest rate (if known) _____

10. If Deposits have been secured by bonds:
   (a) Name and address of bond issuer or surety: _____
   (b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain:

11. If Deposits have been secured by a letter of credit:
   (a) Name and address of bank which issued the letter of credit:
   (b) Date of expiration of the letter of credit, if known:

12. Plan information:
   (a) Date of filing of plan: _____
   (b) Plan
   [ ] has not been declared effective.
   [ ] has been declared effective. Approximate date:
   (c) If effective, the plan
   [ ] has closed or the first unit has closed. Approximate date:
   [ ] has not closed.
   [ ] don't know.
   (d) Deposits are secured by
   [ ] escrow account.
   [ ] bonds.
   [ ] letter of credit.

13. Contract information:
    (a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)
    (b) Date on which subscription or Agreement was signed: _____
    (c) Date(s) of Deposit(s): _____
    (d) Total amount of Deposit(s): _____
    (e) Names and addresses of subscribers or purchasers affected by this application:

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____

Name (Printed): _____

Telephone: (Home): _____ (Business) _____

Mailing Address: _____

EXHIBIT "16"

RPL §339-kk

§ 3. The real property law is amended by adding a new section 339-kk to read as follows:
§ 339-KK. RENTS. (A) FOR THE PURPOSES OF THIS SECTION, "NON-OCCUPYING OWNER" SHALL MEAN A UNIT OWNER IN A CONDOMINIUM ASSOCIATION WHO DOES NOT OCCUPY THE DWELLING UNIT.
(B) IF A NON-OCCUPYING OWNER RENTS ANY DWELLING UNIT TO A RENTAL TENANT AND THEN FAILS TO MAKE PAYMENTS DUE FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES FOR SUCH UNIT WITHIN SIXTY DAYS OF THE EXPIRATION OF ANY GRACE PERIOD AFTER THEY ARE DUE, UPON NOTICE IN ACCORDANCE WITH SUBDIVISION (C) OF THIS SECTION, ALL RENTAL PAYMENTS FROM THE TENANT SHALL BE DIRECTLY PAYABLE TO THE CONDOMINIUM ASSOCIATION.
(C) IF THE COMMON CHARGES, ASSESSMENTS OR LATE FEES DUE FOR ANY UNIT HAVE NOT BEEN PAID IN FULL, WITHIN SIXTY DAYS AFTER THE EXPIRATION OF ANY GRACE PERIOD OF THE EARLIEST DUE DATE, THE BOARD OF MANAGERS SHALL PROVIDE WRITTEN NOTICE TO THE TENANT AND THE NON-OCCUPYING OWNER PROVIDING THAT, COMMENCING IMMEDIATELY AND UNTIL SUCH TIME AS ALL PAYMENTS FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES ARE MADE CURRENT, ALL RENTAL PAYMENTS DUE SUBSEQUENT TO THE ISSUANCE OF SUCH NOTICE ARE TO BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION AT THE ADDRESS LISTED ON THE NOTICE. WHERE A MAJORITY OF THE BOARD OF MANAGERS HAS BEEN ELECTED BY AND FROM AMONG THE UNIT OWNERS WHO ARE IN OCCUPANCY, THE BOARD MAY ELECT NOT TO REQUIRE THAT RENTAL PAYMENTS BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION. AT SUCH TIME AS PAYMENTS FOR COMMON CHARGES, ASSESSMENTS AND LATE FEES FROM THE NON-OCCUPYING OWNER ARE ONE AGAIN CURRENT, NOTICE OF SUCH FACT SHALL BE GIVEN WITHIN THREE BUSINESS DAYS TO THE RENTAL TENANT AND NON-OCCUPYING OWNER. THEREAFTER ALL RENTAL PAYMENTS SHALL BE MADE PAYABLE TO THE NON-OCCUPYING OWNER OR A DESIGNATED AGENT. A NON-OCCUPYING OWNER WHO DISPUTES THE ASSOCIATION'S CLAIM TO RENTAL PAYMENTS PURSUANT TO THIS SECTION SHALL BE ENTITLED TO PRESENT FACTS SUPPORTING SUCH OWNER'S POSITION AT THE NEXT SCHEDULED MEETING OF THE BOARD OF MANAGERS, WHICH MUST BE HELD WITHIN THIRTY DAYS OF THE DATE THAT THE CONDOMINIUM BOARD RECEIVES NOTICE THAT SUCH OWNER SEEKS TO DISPUTE SUCH CLAIM.
(D) NOTHING IN THIS SECTION SHALL LIMIT ANY RIGHTS OF UNIT OWNERS OR OF THE BOARD OF MANAGERS EXISTING UNDER ANY OTHER LAW OR AGREEMENT.
(E) PAYMENT BY A RENTAL TENANT TO THE CONDOMINIUM ASSOCIATION MADE IN CONNECTION WITH THIS SECTION SHALL RELIEVE THAT RENTAL TENANT FROM THE OBLIGATION TO PAY SUCH RENT TO THE NON-OCCUPYING OWNER AND SHALL BE AN ABSOLUTE DEFENSE IN ANY NON-PAYMENT PROCEEDING COMMENCED BY SUCH NON-OCCUPYING OWNER AGAINST SUCH TENANT FOR SUCH RENT.

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§ 5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

CHAP. 422

The Legislature of the STATE OF NEW YORK SS:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO
TEMPORARY PRESIDENT OF THE SENATE

SHELDON SILVER
SPEAKER OF THE ASSEMBLY

EXHIBIT "17"

SPECIMEN TITLE POLICY

ISSUED BY
COMMONWEALTH LAND TITLE INSURANCE COMPANY

OWNER'S POLICY OF TITLE INSURANCE

Commonwealth
A LANDAMERICA COMPANY

SPECIMEN

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, COMMONWEALTH LAND TITLE INSURANCE COMPANY, a Pennsylvania corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Attest: Wm. Chadwick Persine
Secretary

By: Janet A. Alpert
President

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the affect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:

   (a) created, suffered, assumed or agreed to by the insured claimant;

   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;

   (c) resulting in no loss or damage to the insured claimant;

   (d) attaching or created subsequent to Date of Policy; or

   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

   (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or

   (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:

      (i) to timely record the instrument of transfer; or

      (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS

DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a) (iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgement of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of paymant or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

Conditions and Stipulations Continued Inside Cover

SPECIMEN

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:

(i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or

(ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. LIABILITY NONCUMULATIVE

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(Continued)

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If the payment does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is $1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of $1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to COMMONWEALTH LAND TITLE INSURANCE COMPANY, 1700 Market Street, Philadelphia, PA 19103-3990.

SPECIMEN

SCHEDULE A

POLICY NO.: [Specimen Policy]

TITLE NO.: [Title Number]

AMOUNT: $ [Purchase price] **EFFECTIVE DATE:** [Closing date]

1. **Name of Insured:** [Purchaser]

2. **The estate or interest in the land which is covered by this Policy is:**

Fee Simple

3. **Title to the estate or interest in the land is vested in the insured.**

Who/which acquired title by deed made by 17th and 10th Associates LLC dated [Closing date] and recorded as CRFN .

4. **The land herein described is encumbered by the following mortgage or trust deed, and assignments:**

Mortgage made in the principal amount of $[mortgage amount] by [Purchaser] to [Lender] dated [Closing date] and to be recorded in the Office of the City Register of New York County as CRFN .

5. **The land referred to in this Policy is described on the description sheet annexed.**

_____

Authorized Signature

Policy Number: [Specimen Policy]

Title Number: [Title Number]

DESCRIPTION SHEET

THE CONDOMINIUM UNIT (hereinafter referred to as the "Unit") in the building (hereinafter referred to as the "Building") known as The Caledonia Condominium and by the Street Number **440-454 West 17th Street a/k/a 441-449 West 16th Street a/k/a 108-110 10th Avenue**, County of New York, State of New York, said Unit being designated and described as Residential Unit No. in a Declaration dated made by 17th and 10th Associates LLC, pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") establishing a Plan for condominium ownership of the Building and the Land (hereinafter referred to as the "land") upon which the building is situate (which land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which Declaration was recorded in the New York County Register's Office on , AS CRFN , and has been amended as set forth on Schedule B annexed and by this reference made a part hereof (which Declaration and Amendments (if applicable) thereto are hereinafter collectively referred to as the "Declaration"). This Unit is also designated as Tax Lot in Block 714 of the County of New York on the Tax Map of the Real Property Assessment Department and on the Floor Plans of the Building, Certified by , Architects, on and filed with the Real Property Assessment Department on as Condominium Plan No. and also filed in the New York County Register's Office on as Condominium Map No. .

TOGETHER with an undivided % interest in the Common Elements (as such term is defined in the Declaration).

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit.

TOGETHER with and **SUBJECT** to the rights, obligations, easements, restrictions and other provisions set forth in the Declaration, Floor plans and the By-Laws of The Caledonia Condominium, as the same may be amended from time to time (herein after referred to as the "By-Laws"), all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

The land on which the building and unit is located is situated in the New York County of New York and State of New York and is more fully described in the Declaration of Condominium recorded in the New York County Register's Office on , as CRFN .

Title No. 825183

EXHIBIT A

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:-

BEGINNING at a point on the easterly side of 10th Avenue, at a point distant 23 feet 3 inches southerly from the corner formed by the intersection of the southerly side of West 17th Street and the easterly side of 10th Avenue;

RUNNING THENCE easterly parallel with West 17th Street 100 feet to a point;

THENCE northerly parallel with 10th Avenue, 23 feet 3 inches to the southerly side of West 17th Street;

THENCE easterly along the southerly side of West 17th Street, 200 feet;

THENCE southerly parallel with 10th Avenue, 184 feet to the northerly side of West 16th Street;

THENCE westerly along the northerly side of West 16th Street, 300 feet to the easterly side of 10th Avenue;

THENCE northerly along the easterly side of 10th Avenue 160 feet 9 inches to the point or place of **BEGINNING.**

TOGETHER WITH THE BENEFITS OF that certain Zoning Lot and Development Agreement between 437 West 16th Street LLC and 17th and 10th Associates, LLC dated 1/3/06 and recorded 3/16/06 as CRFN 2006000149367. (Affects lots 14 and 16 in Block 714)

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

Policy Number: [Specimen Policy]

Title Number: [Title Number]

SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Terms and conditions set forth in the Declaration of Condominium and By-Laws dated recorded in the Office of the City Register of New York County as CRFN . Policy insures that a valid condominium has been created pursuant to Article 9B of the Real Property Law, as amended.

2. Easements recorded in Liber 4396 Pg 297 and in Liber 3838 Page 181, Liber 3829 Page 356 and Liber 3844 Page 18; said easement does not interfere with the use and occupancy of the building on described premises.

3. Correction quitclaim deed made as of the 6/24/04 and recorded 1/28/05 as CRFN 2005000056400 made between Consolidated Rail Corporation and New York Central Lines LLC.

4. Quitclaim Consent and Easement made by and between 17th & 10th Associates, LLC and The City of New York dated 11/4/05 and recorded 12/1/05 as CRFN 2005000664421.

5. Release, Waiver and Covenant Not To Sue Agreement made by and between 17th and 10th Associates LLC and The City of New York dated 11/4/05 and recorded 12/1/05 as CRFN 2005000664422.

6. Release, Waiver and Covenant Not To Sue Agreement made by and between CSX Transportation, INc. ("CSXT") and 17th & 10th Associates LLC ("Owner") dated 11/4/05 and recorded 12/1/05 as CRFN 2005000664423.

continued.....

Policy Number: [Specimen Policy]

Title Number: [Title Number]

SCHEDULE B
(continued)

7. Restrictions and regulations as set forth in the By-Laws of the Condominium.

8. The easement(s) set forth in the Declaration of Condominium and By-Laws of the Condominium and the deed to the insured.

9. Any state of facts which an accurate survey and inspection of Unit would show, but policy insures that any encroachments by insured Unit upon adjoining Units or upon common elements may remain undisturbed.

Policy Number: [Specimen Policy]

Title Number: [Title Number]

CONDOMINIUM ENDORSEMENT

The company hereby insures against loss or damage by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the jurisdiction in which the unit and its common elements are located.

2. The failure of the documents required by said condominium statutes to comply with the requirements of said statutes to the extent that such failure affects the title to the unit and its common elements.

3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are contained in the condominium documents. Said restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.

4. The priority of any lien for charges and assessments provided for in the condominium statutes and condominium documents over the lien of any insured mortgage identified in Schedule A.

5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.

6. Any Obligation to remove any improvements which exist at date of policy because of any present encroachment or because of any future unintentional encroachment of the common elements upon any unit or of any unit upon the common elements or another unit.

7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at date of policy.

This endorsement is made a part of the policy and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and prior endorsements, if any, nor does it extend the effective date of the policy and prior endorsements or increase the face amount thereof.

NEW YORK STATE OFFICE
655 Third Avenue
New York, New York 10017
(212) 949-0100

OWNER'S POLICY OF TITLE INSURANCE

AMERICAN LAND TITLE ASSOCIATION
(10-17-92)

SPECIMEN

ISSUED BY
COMMONWEALTH LAND TITLE INSURANCE COMPANY

Commonwealth

Title Insurance Since 1876

HOME OFFICE:
1700 Market Street | Philadelphia, PA 19103-3990

B 1190-3

NEW YORK OFFICES

NEW YORK CITY
655 Third Avenue
New York, New York 10017
(212) 949-0100

ALBANY
286 Washington Ave. Extension
Corporate Plaza West
Albany New York 12203
(518) 452-4525

BUFFALO
298 Main Street
Buffalo, New York 14202
(716) 853-6800

GARDEN CITY
1325 Franklin Ave. Suite 101
Garden City, New York 11530
(516) 742-7474

NEW CITY
17 Squadron Boulevard
New City, New York 10956
(914) 634-7070

RIVERHEAD
177 Old Country Road
Riverhead, New York 11901
(516) 727-7760

WHITE PLAINS
50 Main Street
White Plains, New York 10606
(914) 949-0002

NATIONAL TITLE SERVICE
655 Third Avenue
New York, New York 10017
(212) 949-0100

500

EXHIBIT "18"

ALTERATION AGREEMENT

ALTERATION AGREEMENT

THIS AGREEMENT made as of this _____ day of _____, _____ by and between The Board of Managers of The Caledonia (the "Board") having an address of 450 West 17th Street, New York, New York 10011, 450 West 17th Associates LLC ("Sponsor"), having an address 60 Columbus Circle, New York, New York 10023 and _____ (the "Unit Owner") having an address of 450 West 17th Street, New York, New York, 10011 (the "Property").

W I T N E S S E T H:

WHEREAS, pursuant to a declaration dated _____ (the "Declaration"), Sponsor submitted the Property to a condominium regime known as The Caledonia (the "Condominium").

WHEREAS, pursuant to the Declaration and the by-laws of the Condominium (the "By-Laws"), Unit Owner has requested permission to install equipment and/or make alterations in Unit ____ (the "Unit") the building situated on the Property (the "Building"); and

WHEREAS, at least until such time as Developer obtains the permanent certificate of occupancy for the Building, Developer's and Sponsor's employees, agents, contractors, subcontractors and suppliers or any of their employees (collectively "Sponsor's Contractors") will be performing work in or delivering material to the Building.

WHEREAS, the Declaration and By-Laws provide that no equipment shall be installed and no alterations shall be made in the Unit without the consent of the Condominium Board; and

WHEREAS, Unit Owner desires to obtain such consent;

NOW, THEREFORE, the parties agree as follows:

1. **Unit Owner's Submissions**. Together with this Agreement, Unit Owner is delivering to the Sponsor and the Condominium Board:

   a. detailed plans, drawings and specifications for the equipment proposed to be installed and/or the alterations proposed to be made which, if so required by the Sponsor and/or the Condominium Board, have been prepared by a licensed architect or engineer. Such plans, drawings and specifications include a room by room list of the equipment to be installed and the alterations to be made.

   b. a check in the sum of $_____ payable to the Condominium Board for the security deposit required to be posted by Unit Owner as provided for in Section 13 of this Agreement (and/or such alternate form of security as may be required by the Condominium Board).

   c. a check in the sum of $_____ payable to Related Management Company., managing agent for the Building (the "Managing Agent"), as a processing fee in connection with this Agreement.

2. **Review of Plans, Drawings and Specification**. The plans, drawings and specifications submitted by Unit Owner shall be subject to review and approval by Sponsor and/or the Condominium Board, in their sole discretion, and may be subject to review and approval by Sponsor's and/or the Condominium Board's architect or engineer (collectively the "Designated Engineer") in the sole discretion of Sponsor or the Condominium Board, and Unit Owner shall make such changes in and to such plans, drawings and specifications as Sponsor, the Condominium Board or the Designated Engineer shall require in order to obtain such approval, including, without limitation, such changes as may be required to minimize noise or vibrations to surrounding portions of the Building. The term "Plans" as used in this Agreement shall refer to the plans, drawings and specifications as approved in writing by the Sponsor and/or the Condominium Board and the Designated Engineer and the term "Work" shall refer to the work called for by the Plans or any other work performed by or on behalf of Unit Owner. After approval by the Sponsor and/or Board and the Designated Engineer, the Plans shall not be modified without the approval of the Sponsor and/or the Condominium Board and the Designated Engineer. Notwithstanding any approval of the Plans by the Sponsor and/or Board or the Designated Engineer, Unit Owner shall be solely responsible for the Plans, for insuring compatibility with the systems and facilities of the Building and for compliance with applicable laws and codes.

The execution of this Agreement by the Sponsor and the Condominium Board does not constitute consent to the work called for by the plans, drawings and specifications submitted by Unit Owner, and the Sponsor and the Condominium Board retains all of its rights under this Agreement and the By-Laws to withhold consent. Only written approval of such plans, drawings and specifications as provided for above shall constitute the Sponsor's and Board's consent to the Work called for by the Plans, and any such consent shall be subject to the terms of this Agreement.

3. **Pre-Conditions to Commencement of Work by Unit Owner**. Unit Owner shall not commence the Work unless and until all of the following has occurred:

   a. The Sponsor and the Condominium Board and the Designated Engineer, as same may be required, shall have approved in writing the plans, drawings and specifications submitted by Unit Owner, and Unit Owner shall have received a copy of such approvals.

   b. Unit Owner shall have submitted to Sponsor and the Condominium Board (i) a designation of the general contractor or construction manager (collectively the "General Contractor") which will be principally responsible for the Work, which designation shall authorize the General Contractor to submit the information more particularly described on the letter annexed hereto as set forth on Exhibit A annexed hereto (the Contractor's Instructions"), (ii) complete copies of all agreements entered into with the General Contractor and all other such contractors, subcontractors and suppliers pertaining to the Work (collectively the "Subcontractors"), (iii) other than the communications required to be made by the General Contractor in accordance with the terms of the Contractor's Instructions, the name of the party solely authorized to communicate with Sponsor, the

Condominium Board and the Managing Agent (the "Owner's Representative") (e.g. Owner, General Contractor, Owner's architect) and (iv) telephone numbers for the Owner, the General Contractor and the Owner's Representative, if different from the foregoing. Prior to the commencement of the work, the General Contractor and the Subcontractors shall have been approved in writing by the Condominium Board. Notwithstanding the foregoing (i) prior to the issuance of a permanent certificate of occupancy for the Building, Sponsor may require that Work relating to the structural electrical, mechanical, plumbing, sprinkler or HVAC systems of the Building (collectively the "Building Systems") be performed by contractors designated by Sponsor. After the issuance of a permanent certificate of occupancy for the Building, the Condominium Board may require that Work relating to the Building Systems be performed by contractors designated by the Condominium Board.

c. Unit Owner shall have made all required filings with, and received all required permits, approvals, licenses and consents from, all governmental agencies having jurisdiction over the Work (collectively the "Governmental Authorities") including, but not limited to, the New York City Buildings Department, the New York City Fire Department and the Landmarks Preservation Commission, and Unit Owner shall have furnished copies of all such filings, permits, approvals, licenses and consents to Sponsor and to the Condominium Board. The determination of the Designated Engineer as to the need for any such filing, permit, approval, license or consent shall be conclusive. As a prerequisite to its approval of the Plans and Specifications, Sponsor and/or the Condominium Board may require Unit Owner to furnish a letter from Unit Owner's licensed architect or engineer, certifying that the electrical loads required as a result of the Work, will not adversely affect the Building's electrical service and certifying to such other matters as Sponsor and the Condominium Board may require. Sponsor may require that Unit Owner utilize a filing representative or expediter designated by Sponsor to file the Plans and Specifications with the Governmental Authorities.

d. Unit Owner shall have caused each of its contractors to furnish to the Condominium Board the insurance policies described on Exhibit B attached hereto or certificates thereof. Such policies (i) shall name the Condominium, the Condominium Board, the Condominium Board's officers and directors, the Designated Engineer, the Managing Agent, Sponsor and the other Unit Owners, as parties insured, (ii) shall be issued by companies reasonably acceptable to the Condominium Board and (iii) shall provide that they may not be cancelled or terminated without at least ten (10) days prior written notice to the Condominium Board. Unit Owner shall cause all such insurance policies to be kept in full force and effect until the completion of the Work. In the event that such insurance lapses prior to the completion of the Work, Sponsor and/or the Condominium Board will have the right to suspend the Work until Sponsor and/or the Condominium Board receives evidence of appropriate insurance and approves such insurance. Sponsor and/or the Condominium Board reserves the right to revise the parameters and scope of the insurance requirements from time to time.

Unit Owner and the General Contractor shall be advised, writing, of any such changes.

e. If requested, the Unit Owner's architect or engineer shall have provided to the Condominium Board evidence of professional liability insurance in amounts reasonably acceptable to the Condominium Board.

f. The Unit Owner's architect or engineer shall have prepared and submitted to the Sponsor and the Condominium Board a schedule of all Work to be performed by the General Contract and each Subcontractor, setting forth the number of weeks and days of the various trades, the anticipated number of workmen involved and affirming that the work can be completed within the time allotted under Paragraph 5d hereof.

g. The General Contractor will be required to attend a start-up meeting approximately two (2) weeks prior to the commencement of the Work. At this meeting the General Contractor will be introduced to Sponsor and other members of the project team. The agenda for the meeting will include a review of the requirements of this Agreement and the General Contractor's construction plan as well as collection of payment to Sponsor of any charges or deposits due hereunder.

4. **Unit Owner to Give Notice Prior to Commencement of Work**. Prior to commencing the Work, the Owner's Representative shall give at least five (5) days' prior written notice to the Designated Engineer, the superintendent of the Building and the Managing Agent of the date on which the Work will commence and the estimated duration of the Work.

5. **Performance of the Work**.

a. **In General**. Unit Owner shall perform the Work strictly in accordance with the Plans in a first-class, workmanlike manner in keeping with the standards of the Building and shall not perform any Work not called for by the Plans. All materials shall be new and of high quality. In performing the Work, Unit Owner shall comply with (i) all applicable laws and codes, (ii) the requirements of all insurance policies covering the Work, the Unit or the Building, (iii) this Agreement, (iv) the By-Laws, (v) the Rules and Regulations of the Condominium, (vi) the requirements of Sponsor and the Condominium Board and (vii) any directions given by the Managing Agent, the Designated Engineer or the superintendent of the Building. The Work will not compromise the energy efficiency or increase the energy consumption of the Building, change the number of zoning rooms located within the Unit or materially delay the issuance of a permanent Certificate of Occupancy for the Building without the consent of Sponsor prior to the issuance of the permanent Certificate of Occupancy or the consent of the Condominium Board, after the issuance of the permanent Certificate of Occupancy.

b. **Work Hours and Noise**. Unit Owner shall perform the Work diligently and in a manner so as not to disturb other residents of the Building. The Work shall be performed only on Mondays through Fridays (excluding holidays) between the hours of ___ a.m. and ____ p.m.; provided however, that any noisy work which may disturb other residents shall not be performed before ___ a.m. The Work shall not be performed on weekends or holidays. Sponsor until there are no remaining Unsold Units, and thereafter the Condominium Board, shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing.

c. **Licensing and Labor Harmony**. The General Contractor and the Subcontractors, if any, shall be duly licensed to the extent required by applicable law and Unit Owner shall cause its General Contractor and the Subcontractors, to employ only such laborers as shall not conflict with any of the trade unions employed in the Building or otherwise cause disharmony with any Building service union. Unit Owner, the General Contractor and the Subcontractors, expressly acknowledge that Sponsor's contractors and subcontractors will be engaged at the Property to finish construction of the Building (other than the Unit) (the "Sponsor's Work") and Unit Owner, the General Contractor and the Subcontractors agree (i) that they the Sponsor's Work shall have priority over the Work and (ii) Unit Owner, the General Contractor and the Subcontractors must coordinate the Work with Sponsor so that no disruption of the Sponsor Work occurs. In the event such disruption occurs, Sponsor reserves the right to immediately close Unit Owner's job site. During all periods of construction, the General Contractor shall conduct or cause to be conducted all labor practices and relations with employees and subcontractors in such a manner as to avoid all strikes, picketing and boycotts of, on or about the Building. The General Contractor further agrees that if during the period of construction any of its employees or employees of its subcontractors strike, or if picket lines or boycotts or other visible activities objectionable to Sponsor are conducted or carried out by or against Sponsor, its contractors or subcontractors or any of their respective employees, on or about the Building or otherwise involving Sponsor, the General Contractor shall (or Sponsor may, but shall not be obligated so to do) immediately close Unit Owner's job site and remove or cause to be removed all personnel therefrom until the dispute giving rise to such strike, picket line, boycott or objectionable activity has been settled to Sponsor's satisfaction.

d. **Required Completion Date**. Unit Owner shall cause the Work (other than decorative work such as painting, wallpapering and carpeting) to be completed on or before the date (the "Required Completion Date") which is ___ days (excluding weekends and holidays) after the commencement of the Work. If the Work (other than decorative work as aforesaid) shall not be completed on or before the Required Completion Date, Unit Owner shall pay to the Condominium Board, as liquidated damages on account of late completion, the sum of $____ per day (excluding weekends and holidays) until the Work is completed. The determination of whether the Work is completed shall be made by the Sponsor until such time as there are no longer any Unsold Units and thereafter by the Condominium Board, and such determination shall be conclusive. The work shall

diligently proceed to completion in compliance with all plans and specifications and in conformity with all permits and licenses of any governmental authority. All time limitations set forth in this paragraph shall be subject to extension for delays caused by or attributable to acts of God, unusual weather conditions or strikes not attributable to Unit Owner or Unit Owner's General Contractor or Subcontractors or other agents bad faith, no to exceed forty-five (45) calendar days. Notwithstanding the foregoing, if, within six (6) months prior to the expiration of the temporary Certificate of Occupancy, the Condominium Board or Sponsor, in their sole discretion, determines that the progression of the Work is such that there is a potential to delay or otherwise hinder the issuance of the permanent Certificate of Occupancy for the Building, the Condominium Board or Sponsor, as the case may be, undertake to perform, a Unit Owner's sole cost and expense, those items of work necessary to be completed for the issuance of the permanent Certificate of Occupancy.

e. **Evidence of Completion**. Upon completion of the Work, Unit Owner shall obtain and deliver to Sponsor and the Condominium Board (i) a certificate from the architect or engineer who prepared the Plans certifying that the Work has been completed in accordance with all applicable laws and codes and the Plans, and (ii) all required final governmental signoffs and approvals, including if Sponsor or the Condominium Board shall require, an amended certificate of occupancy and a certificate from the Board of Fire Underwriters. The determination of the Sponsor, until such time as there are no longer any Unsold Units and thereafter the Condominium Board, as to whether the Work has been completed and/or the need for an amended certificate of occupancy and/or any other applicable governmental signoffs and approvals shall be conclusive.

f. **Security Personnel**. The Condominium Board shall have the right, at the sole cost and expense of the Unit Owner, to install or engage or require the Unit Owner to install or engage, security systems or personnel to ensure the safety and well being of persons and property in the Condominium.

g. **"As-Built" Drawings**. Upon completion of the Work, the Unit Owner shall provide the Condominium Board with an "as-built" set of drawings for the Unit.

h. **Confidentiality**. Any and all knowledge, information, data, materials, trade secrets and work product regarding the Building, obtained, produced, generated or otherwise acquired by Unit Owner or the General Contractor or their agents, employees and Subcontractors shall be confidential.

6. **Inspection and Correction of the Work**. Sponsor and the Condominium Board shall have the right from time to time to inspect or observe the Work and to ensure compliance with the terms of this Agreement, and for this purpose Unit Owner shall provide access to the Unit to Designated Engineer, the Managing Agent, the superintendent of the Building, or any other person Sponsor or the Condominium Board may authorize. The General Contractor shall be required to conduct a walkthrough with Sponsor and/or the Condominium Board for the purpose of observing the construction of the demising wall

and perimeter wall assemblies. After the installation of all framing, insulation and vapor barriers General Contractor shall notify Sponsor and the Condominium Board and schedule a walkthrough to observe such portion of the Work. The General Contractor may not proceed with installation of gypsum board until written approval of Sponsor and the Condominium Board is received. Unit Owner shall promptly make all corrections required by Sponsor or the Condominium Board in order to conform to the Plans and the other requirements of this Agreement. If Sponsor or the Condominium Board so requires, such corrections shall include the removal and replacement of non-conforming work. Sponsor's or the Condominium Board's failure to inspect shall not be considered a waiver of Unit Owner's obligation to comply with this Agreement. If Unit Owner or the General Contractor observes or otherwise becomes aware that the Work or any of their contract documents are at variance with each other or applicable laws, statutes, ordinances, building codes and regulations in any respect or otherwise are inconsistent, the General Contractor shall promptly notify Sponsor and the Condominium Board. If, in the sole judgment of Sponsor or the Condominium Board, an Emergency exists with respect to the Work, which in Sponsor's or Board's opinion requires immediate corrective action, then Sponsor may, without notice to Unit Owner's Contractor, perform such corrective work or cause it to be performed by others. In such case, any costs (including general conditions and fees) arising from such corrective work will be borne by Unit Owner and/or General Contractor.

7. **Damage or Adverse Effect Caused by the Work**. Unit Owner shall be responsible for any damage to or any other adverse effect upon the Unit or the Building (including the structure, shell, systems, equipment, fixtures and finishes of the Building) caused by or resulting from the Work, regardless of when such damage or adverse effect becomes apparent. If any such damage or adverse effect shall occur or arise, Sponsor and/or the Condominium Board may (a) require Unit Owner, at its expense, promptly to repair the damage or remedy the condition giving rise to such adverse effect and/or (b) repair such damage or remedy such condition at Unit Owner's expense.

Unit Owner acknowledges that the performance of the Work shall in no event cause any environmental hazards in the Units or the Common Elements (including, without limitation, any environmental hazards such as mold or other bacterial contamination) and that the Unit Owner is obligated at all times (both during and after the performance of the Work) to heat and cool such Unit Owner's Unit so as to maintain the appropriate temperature in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units, including, without limitation, freezing pipes and damage to the wood floors and moldings. Purchasers should note that, as with all wood products (including without limitation, wood furniture, cabinetry, floors and molding) wide variations of temperature and humidity can lead to shrinkage and expansion of the wood which in turn may cause damage to any such wood product.

Without limiting the generality of the foregoing, Unit Owner specifically acknowledges that this Section 7 shall be applicable to any damage to the carpeting, wallcoverings or other finishes in the Building's hallways, elevators and other common areas (including without limitation, the cost of cleaning, shampooing, painting or repairing the same if soiled or otherwise damaged).

If the Managing Agent advises Unit Owner of any damage which, in the Managing Agent's opinion, was caused by the Work, Unit Owner shall promptly submit a claim to Unit Owner's insurance carrier and to Unit Owner's contractor for submission to its insurance carrier, and Unit Owner agrees to use all reasonable efforts, and to cause its contractor to use all reasonable efforts, to cause such insurance carriers to expeditiously review and settle all such claims for which they are responsible. The provisions of this paragraph shall not limit Unit Owner's liability under this Section 7.

8. **Indemnification and Release by Unit Owner**. Unit Owner shall indemnify and hold harmless Sponsor and Sponsor's principals, employees, agents, the Condominium Board, the Condominium Board's officers, directors and Unit Owners, the Designated Engineer, the Managing Agent, and the other Unit Owners and residents of the Building (the "Indemnified Persons") against any loss, cost, claim, damage (including damage to persons or property) or expense arising out of or related to the Work or any act or omission of Unit Owner, the General Contractor or any Subcontractors, architects, engineers or consultants, including reasonable attorneys fees and disbursements incurred by any of the Indemnified Persons in the defense of any such claim or any suit, action or proceeding based thereon. Unit Owner releases the Condominium Board, the Sponsor, the Managing Agent and the agents and employees of the foregoing from any from any liability for damage to the portions of the Unit affected by the Work. Notwithstanding anything to the contrary contained in the By-Laws, the Unit Owner accepts sole responsibility for the work and costs in connection with the maintenance, repair, restoration or replacement of any portions of the Unit affected by the Work, and acknowledges that such responsibility shall pass to the Unit Owner's successor-in-interest in the Unit. Unit Owner shall also be responsible to deliver to the Condominium Board a written agreement in the form of Exhibit C hereto in which Unit Owner's General Contractors agree that they will not make claims for damage within the perils of the insurance referred to in this Agreement and will defend, indemnify and hold harmless the Condominium Board, the Condominium Board's officers, directors, Sponsor, unit owners, agents, partners, servants, employees, tenants, guests, licensees, invitees and their respective agents, servants, employees, tenants, guests, licensees, invitees, officers, directors, shareholders and partners (collectively, the "Indemnitees"), against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in any way relating to the performance of the Work unless such injury or loss of life or loss or damage to property was caused by the willful misconduct or gross negligence of the Indemnitee.

Unit Owner hereby acknowledges that it is a condition of this Agreement that no Work may be performed by, or on behalf of Unit Owner until Sponsor, in its sole discretion, determines that the commencement of the Work will not interfere with Sponsor's Work and Sponsor notifies Unit Owner of said determination in writing. At Closing, Unit Owner has accepted the Unit from Sponsor in its "as is" condition. Upon commencement of the Work, Unit Owner releases Sponsor and the Condominium Board from any and all obligation to perform any additional work in the Unit, including, without limitation, weather tightness of windows, exterior walls or roofs, and work of a "punch list" nature. In furtherance thereof, Unit Owner expressly agrees to release and forever discharge Sponsor and its successor and/or assigns and the Condominium Board, from all manner

of actions, causes of action, suits, debts, dues, sums of money, damages, claims and demands whatsoever in law or equity, which Unit Owner, its successors and assigns ever had, now have, or may have, now or hereafter upon or by reason of any matter arising from or out of the Work to the Unit.

9. **Unit Owner to Bear All Costs Associated with Work**. Unit Owner shall be responsible for all costs incurred by Unit Owner, Sponsor or the Condominium Board in connection with the Work or this Agreement, including, without limitation, the fees and disbursements of any attorney, architect, engineer, consultant or security personnel retained by the Condominium Board, the Sponsor or the Unit Owner in connection with the Work or this Agreement. Without limiting the generality of the foregoing, Unit Owner specifically agrees to reimburse Sponsor and/or the Condominium Board for all charges of the Designated Engineer for the review of the plans, drawings and specifications submitted for inspection of the Work or otherwise related to the Work or this Agreement. Waivers of the right to lien or otherwise encumber the Building shall be obtained from the General Contractor and all Subcontractors. However, if for any reason whatsoever, any lien is filed for work done, or material alleged to have been furnished in connection with the Work, Unit Owner shall at its sole expense cause such lien to be bonded or otherwise discharged within twenty (20) days after learning of the existence of such lien. If Unit Owner fails to do so or otherwise defaults hereunder, the Condominium Board may pay or bond such lien and otherwise exercise all rights and remedies reserved to it in this Agreement and the By-laws as and for a default thereunder.

10. **Additional Requirements**.

a. **No Change in Building Heating or Air-Conditioning**. Unit Owner recognizes that there will be no change in the operation of the Building's heating system or air-conditioning system to facilitate the functioning of any heating or air-conditioning units which Unit Owner may be installing other than stoppages approved by Sponsor or the Condominium Board in order to facilitate and enable Unit Owner to hook-up to the Building's heating and air conditioning systems and or sprinkler system. The General Contractor shall submit to Sponsor a plan and anticipated schedule of any required shut downs, drain downs, etc., of the Building's existing systems prior to the commencement of their work. Failure to submit this plan shall cause the General Contractor to be accountable for all extra costs associated with delays to reschedule shut downs, drain downs, etc., should they occur.

No utility interruption will be permitted without written approval from Sponsor and/or the Condominium Board. General Contractor is required to give Sponsor and/or the Condominium Board at least seventy-two (72) hours notice before any Building or utility service interruption which affects occupied and unoccupied areas. Each request for such interruption will indicate estimated downtime.

Sponsor and or the Condominium Board will schedule the appropriate personnel to perform all drain downs and recharging of building systems. The cost of all services provided by the appropriate personnel shall be paid in advance to

Sponsor prior to the commencement of any work. The minimum charge for each and every drain down and recharge will be $500.00.

b. **Prohibited Construction Methods**. Unit Owner shall not interfere with the Building's intercom, gas, electric, heating, air-conditioning or plumbing system, sprinkler system or any other Building system or service. Unit Owner shall not penetrate any exterior Building wall, attach fasteners in any manner or the exterior building facade or use any pneumatic or power tool such as hammers or other tools which cause excessive vibrations, except with the consent of Sponsor or the Condominium Board. Flammable materials are not to be stored within the Building. They must be used and removed the same day.

c. **Accessibility of Valves**. Unit Owner shall insure that all water, steam, gas and other valves remain accessible during the performance of and after the completion of the Work. If any valve is enclosed in violation of this Agreement, then Sponsor or the Condominium Board may (i) require Unit Owner, at its expense, promptly to remove such enclosure and/or (ii) remove such enclosure at Unit Owner's expense.

d. **Use of Public and Common Areas During Work**. Unit Owner shall not allow the halls, sidewalks, courtyards and other public areas to be used for the storage of building materials or debris. Electrical and other utility receptacles in the Common Areas may not be utilized to perform any work or power any equipment employed in connection with the Work. Unit Owner shall cause its contractor to cover with construction paper the floor of any back hall to be used in connection with the Work and shall also cause its contractor to take all precautions necessary to prevent damage to the carpeting, wallcoverings or other finishes in the Building's hallways, elevators and other common areas. Only the service elevators may be utilized by for the delivery of materials or supplies.

e. **Parking**. Parking in front of the Building or in its driveways is strictly prohibited. General Contractor must enter the Building through the designated construction entrance only. No other means of entry shall be permitted. The General Contractor will be expected to check in at the location to be designated by Sponsor or the Condominium Board and obtain the required authorization to enter the Building in compliance with the procedures and requirements of Sponsor and the Condominium Board. In the event that employees, agents or Subcontractors of General Contractor are in the Building without proper authorization, such individuals will be asked to leave.

f. **Safety Precautions**. Unit Owner shall maintain functioning fire extinguishers and smoke alarms in the Unit throughout the prosecution of the Work. Unit Owner shall insure that the Work does not block access to any fire exits in the Building. Unit Owner shall install smoke detectors within 15 feet of every sleeping area on the ceiling or wall pursuant to Local Law 62 of 1981 of the City of New York, and if a child 10 years old or under lives in the Unit. Unit Owner

shall install window guards pursuant to Section 131.15 of the New York City Health Code.

Hard hats must be worn by all construction personnel at all times. Only work shoes or shoes with leather soles will be permitted in the Building. No personnel wearing gym shoes or soft rubber shoes will be allowed into the Building.

The General Contractor shall abide by all other written safety policies or directives established by Sponsor or the Condominium Board. The General Contractor is required to establish a written safety program for its operations, as well as the operations of any of its Subcontractors. Such safety program shall be available at the job site for inspection by Sponsor and the Condominium Board. Any accidents or injuries that occur on the construction site, no matter how minor, must be reported to Sponsor and the Condominium Board within twenty four (24) hours of the occurrence. If an accident or injury occurs due to the existence of a dangerous condition, the General Contractor shall take immediate steps to secure the area in order to protect others from further injury.

g. **Unit Owner to Control Refuse, Dirt, Dust**. Unit Owner shall take all precautions to prevent dirt and dust from permeating other parts of the Building during the progress of the Work, and shall place all materials and rubbish in barrels or bags before removing the same from the Unit. All such barrels and bags and all rubbish, rubble, discarded equipment, empty packing cartons and other materials shall be removed from the Unit and taken out of the Building at Unit Owner's expense and removal of trash containers shall be scheduled for after 3:30 p.m. unless otherwise directed by the Condominium Board, but in no event shall such removal interfere with regularly scheduled building operations. Unit Owner acknowledges and agrees that the trash chute may not be used for such removal and recognizes that only the service elevator may be used for such removal and only at such times as the superintendent of the Building may direct. Unit Owner shall not permit any dumpster or garbage container to be left outside of the Unit without the written consent of Sponsor or the Condominium Board. Notwithstanding the foregoing, the placement of any dumpsters shall comply with all governmental regulations, including without limitation, obtaining any necessary permits. In the event that Sponsor determines that it is reasonably necessary, Sponsor shall have the option to coordinate and perform trash removal from a central location on individual floors and, in that event, General Contractor will be responsible for its share of the cost thereof, which shall be billed on a regular basis.

h. **Installations by Unit Owner**. Unit Owner agrees that any air conditioning units, Terrace and/or Balcony plantings and/or structures, wherever located in the Building, may be removed by Sponsor or the Condominium Board for the purpose of repairs, upkeep or maintenance of the Building, at the sole expense of Unit Owner.

i. **Deliveries to the Property**. Under no circumstances will deliveries be allowed to the Building unless General Contractor has secured the prior written consent of the Sponsor, or the Condominium Board, at such time as Developer has secured a permanent certificate of occupancy for the Building. In addition, all materials must be delivered to the area of the Building as designated by the Condominium Board to the Unit Owner.

The General Contractor must be at the Property at the scheduled time of delivery. The delivery vehicle will be allowed to remain at the Property for the time allotted by the prior written consent. No materials will be accepted or unloaded by any person other then those associated with the General Contractor. Under no circumstances can materials be stored for any length of time at the Property. Delivery vehicles will not be allowed at any time to park, stand, stage, load or unload on any of the streets or alleys adjoining the Building.

If the General Contractor fails to appear at the Property and/or completely unload the delivery within the allotted time, the delivery truck driver will be instructed to leave the Property and the General Contractor will be responsible for any re-delivery charges. Sponsor reserves the right to amend and revise the delivery procedures at any time and from time to time.

j. **Use of Elevators**. The access to and use of the elevator for the delivery of supplies and materials must be requested no less than forty-eight (48) hours in advance of the time that such access and use is required. The request must indicate the period of time that the elevators will be "booked." Unit Owner will be responsible for all costs associated with the operation of the elevator and/or hoisting charges for the period requested. The allocation of elevator "time" shall be made by the Managing Agent, in its discretion, subject to the availability of elevators, but in no event shall such access and use interfere with regularly scheduled building operations.

k. **On-Site Supervision**. The General Contractor- shall maintain supervisory personnel on-site at all times when the General Contractor has work in progress on-site. Such personnel shall be (i) fully empowered to coordinate and direct the work of its forces and subcontractors, (ii) trained as safety officers and (iii) in numbers sufficient to properly supervise all work.

l. **Adjacent Premises**. The Condominium Board may require that Unit Owner give not less than fourteen (14) days' written notice, setting forth the date the Unit Owner plans to commence the Work and the duration of the Work, to residents in the Units that are adjacent to, above and below the Unit (the "Adjacent Premises") in the form of Exhibit "D" hereto, a copy of which shall be delivered to the Managing Agent or such other form then adopted by the Condominium Board,.

11. **Unit Owner to Comply with Laws, etc**. Unit Owner shall not do or permit any act or thing to be done contrary to law, or which will invalidate or be in conflict with any provision of any liability, casualty or other insurance policies carried by Unit Owner or

for Unit Owner's benefit. Unit Owner shall comply with all federal, state and local laws, rules and regulations pertaining to the Work, including any such laws, rules and regulations pertaining to lead-based paint, asbestos and other hazardous material.

12. **Maintenance and Repair of the Work**. Notwithstanding anything to the contrary contained in the By-Laws, Unit Owner shall be responsible for the maintenance, repair and replacement of the Work and any portions of the Unit affected by the Work, and for all costs incurred by Sponsor or the Condominium Board or Unit Owner in connection therewith. Furthermore, Unit Owner releases the Condominium Board, the Managing Agent, Sponsor, Sponsor's agents and employees and the Condominium Board's agents and employees from any liability for damage to the Work or any portion of the Unit affected by the Work however arising.

13. **Unit Owner's Security Deposit**. As security for the faithful performance and observance by Unit Owner of the terms and conditions of this Agreement, Unit Owner has deposited the sum indicated in Section l(b) with the Condominium Board and/or provided payment and performance bonds and maintenance bonds in an amount established by the Condominium Board. Unit Owner agrees that the Condominium Board may use, apply or retain the whole or any part of the security so deposited and the interest earned thereon, if any, to the extent required for the payment of any sums due to the Condominium Board under this Agreement as determined in the discretion of the Condominium Board. If the deposit is diminished by one-half of the original amount, Unit Owner shall replenish it to the full amount within (3) days after written demand. Unit Owner's failure to so replenish the security deposit shall be a material breach of this Agreement and shall entitle Sponsor or the Condominium Board to stop the Work, and/or exercise any remedies it has hereunder. If Unit Owner shall comply with all of the terms and conditions of this Agreement, the security deposit and interest or remaining balance thereof, if any, shall be returned to Unit Owner after completion of the Work. The Condominium Board's release of the security deposit shall not constitute acceptance of the Work by Sponsor or the Condominium Board or a waiver of any of Sponsor or the Condominium Board's rights under this Agreement. Any sums due to the Condominium Board under this Agreement and not recovered by application of the security deposit shall be deemed obligations chargeable and collectable as additional common charges to Unit due by Unit Owner to the Condominium Board pursuant to the By-Laws.

14. **Security; Construction Locks**. It shall be the General Contractor's responsibility to safeguard its own materials, tools and equipment at all times and to bear the risk of loss and/or damage thereto, and General Contractor hereby waives any claims against any property damage insurance coverage of the Building, Sponsor or the Condominium Board. Construction locks will be required and must be provided by the General Contractor. One key to the Unit must be provided to Sponsor and /or the Condominium Board for access to the Unit.

15. **Miscellaneous**. This Agreement represents the only agreements between Sponsor, the Condominium Board and Unit Owner relative to the subject matter hereto. Sponsor and the Condominium Board reserve the right to update and amend the requirements governing the Work from time to time. Any changes will be provided to Unit Owner and

General Contractor and General Contractor will be required to acknowledge receipt of such update(s). This Agreement may not be changed orally. None of Sponsor, the Condominium Board, Manager or Managing Agent or any of their principals, agents, employees, contractors or subcontractors, will be responsible for failure or inefficient performance of Building Services to the Unit resulting from the Work. Unit Owner acknowledges that it has not relied upon any representations, warranties, architect's plans or statements of any nature whatsoever, whether written or oral, made by Sponsor, Sponsor's selling agent, the Managing Agent, or otherwise, including, without limitation, any representations, warranties, architect's plans, statements or estimates relating to the cost, feasibility, safety or compliance with all legal requirements pertaining to the Work, it being understood that approval of the Plans by Sponsor or the Condominium Board is not an express or implied warranty as to any such matter. This Agreement shall be binding on legal representatives, successors and authorized assigns. Captions are for the purposes of convenience of reference only and are not to be considered in interpreting this Agreement. SPONSOR, THE CONDOMINIUM BOARD, UNIT OWNER AND GENERAL CONTRACTOR WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING UNDER THIS AGREEMENT.

16. **Notices, Assignment**. Any notice, request, consent or other communication hereunder shall begin in writing and sent by registered mail or certified mail, to Unit Owner at the address given at the beginning of this Agreement and to Sponsor and Board at the respective address given at the beginning of this Agreement, with a copy, in each case to Stroock & Stroock & Lavan LLP, 180 Maiden Lane New York, New York 10038, Attn: Michel Evanusa, Esq., or to such other address as either party may hereafter designate to the other in writing. The date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. If, at any time, Unit Owner shall require the consent or approval of Sponsor or the Condominium Board to any proposed action hereunder, Unit Owner shall make a written request therefor, requesting such consent or approval. In no event whatsoever may Unit Owner rely on any consents, approvals, communications, statements or notices given by any person (including, without limitation, the Managing Agent or the superintendent of the Building or any representative of either) who is not a member of Sponsor, or the Condominium Board or which are not in writing. This Agreement may not be assigned by Unit Owner.

17. **Amendment to Condominium Documents.** If the Work involves the combination or subdivision of a Unit or Units, upon completion of the Work and upon receipt of all applicable certifications and approvals, the Condominium Board agrees to amend the Declaration of the Condominium ("Declaration") and the Condominium Floor Plans ("Floor Plans") to reflect the modifications to the Unit. Unit Owner agrees to provide the Condominium Board with all information and execute all documentation required to amend the aforesaid documents and to pay all costs incurred by the Condominium Board or otherwise associated with the amendment of the Declaration and Floor Plans.

18 **Assumption by Purchaser**. The Unit Owner (a) shall advise the person or persons to whom it transfers the Unit ("Purchaser") of the Work undertaken by the Unit Owner pursuant to this Agreement; (b) shall provide copies of the Plans and this Agreement to

the Purchaser; and (c) shall cause the Purchaser to execute and deliver to the Condominium Board an agreement substantially in the form of Exhibit C hereto pursuant to which the Purchaser shall assume all of the obligations of Unit Owner under this Agreement, including the obligation under this Section with respect to any transfer of the Unit by the Purchaser.

The Unit Owner hereby waives any claim against the Condominium Board on account of (a) the Condominium Board advising a potential Purchaser of the provisions of this Agreement, including this Section and/or (b) refusing to accept the sales package with respect to its waiver of its right of first refusal unless and until such potential Purchaser shall execute and deliver to the Condominium Board an agreement in the form of Exhibit C hereto.

19. **Unit Owner's Breach and Board's and Sponsor's Remedies**. Any breach by Unit Owner of any of the provisions of this Agreement shall constitute a breach of the Declaration and By-Laws and shall entitle the Condominium Board to exercise all of the rights and remedies therein provided. In addition, the Condominium Board shall also have the right (a) to suspend the Work and prevent workers from entering the Unit for any purpose other than to remove their tools, and/or (b) to revoke its consent to the Work, and/or (c) to complete or remove all or any part of such Work and restore the Unit to its condition prior to the commencement of the Work at Unit Owner's sole cost and expense, and/or (d) to exercise any of the rights and remedies provided for herein. The remedies provided for herein and in the By-Laws shall not be exclusive and the Condominium Board shall also be entitled to exercise any of the remedies provided by applicable law.

The Condominium Board and Unit Owner acknowledge that Sponsor is the Sponsor of the offering plan for the Property, pursuant to which Sponsor has certain obligations to complete the Building and that a breach by Unit Owner of any of the provisions of this Agreement could adversely affect Sponsor's ability to perform its obligations. Accordingly the Condominium Board hereby assigns to Sponsor all of the rights of the Condominium Board pursuant to the Declaration and the By-Laws as may asserted with respect to the Work and this Agreement until such time as Developer has obtained a permanent certificate of occupancy for the Building. Until such time as Developer has obtained a permanent certificate of occupancy for the Building, the Condominium Board shall not consent to any request hereunder which would have the effect of delaying or interfering with or increasing the cost to perform the Sponsor's Work.

Notwithstanding anything to the contrary set forth herein, to the extent notices or documents are required to be delivered to Sponsor or the consent or approval of Sponsor is required hereunder, such delivery, consent or approval shall not be required after such time as Sponsor no longer owns any Unsold Units in the Building. Sponsor, in its sole discretion, may waive its right, in writing, to receive notices or give approvals or consents hereunder.

IN WITNESS WHEREOF, Unit Owner, Sponsor and the Condominium Board have executed this Agreement.

THE BOARD OF MANAGERS
OF THE CALEDONIA

By: _____
Name:
Title:

_____
UNIT OWNER

450 WEST 17TH ASSOCIATES LLC

By: _____
Name:
Title:

EXHIBIT A

Date

The Board of Managers
The Caledonia
c/o _____
_____
New York, New York _____

Re: Unit ___ (the "Unit")
_____ (the "Unit Owner")
The Caledonia (the "Condominium")
450 West 17th Street
New York, New York 10011 (the "Property")

Gentlemen:

The undersigned acknowledges being the general contractor for the Work to be performed in the referenced Unit ("Contractor") pursuant to the Plans, as such terms are defined in the alteration agreement (the "Alteration Agreement") entered into between The Board of Managers of the Condominium (the "Board"), the above referenced Unit Owner and 450 West 17th Associates LLC ("Sponsor") Contractor acknowledges that it has received a copy of the Alteration Agreement (including. without limitation, the Contractor's Instructions annexed thereto), the Declaration, By-Laws and rules and regulations of the Condominium (collectively the "Requirements") and has reviewed the Requirements, understands them and will in all cases abide by all of the terms, conditions and requirements contained herein while completing the Work at the Building on behalf of Unit Owner. Contractor will be responsible for conveying these Requirements to any of its employees, suppliers and subcontractors who will be bound by these Requirements. Contractor will incorporate by reference the terms hereof into any contract or agreement with any Subcontractor employed by or retained by Contractor in connection with the Work and will deliver copies of all such subcontracts to the Condominium Board and/or Sponsor upon request. In all cases, Contractor will be solely responsible for the compliance by its employees, suppliers and subcontractors with the Requirements

Contractor agrees that it will not make any claim against, or seek to recover against the Condominium Board, the Condominium Board's officers, directors, Sponsor, other unit owners, servants, agents, partners, guests, licensees, invitees, tenants or employees or any of their respective agents, servants, employees, tenants, guests, licensees, invitees, officers, directors, shareholders and partners of the foregoing (collectively, the "Indemnitees") for any damage to persons or property by the perils within the scope of the policies described in the Alteration Agreement, unless the loss or damage is due to the gross negligence or willful misconduct of the Indemnitees. Contractor further agrees to defend, indemnify and hold harmless the Indemnitees against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in anyway relating to the performance of the Work, unless such injury or loss of life or loss or damage to property is caused by the gross negligence or willful misconduct of the Indemnitees.

Contractor agrees:

(A) Contractor will, prior to the commencement of the Work, shall have submitted to the Condominium Board a list containing the names of all contractors, subcontractors and suppliers (collectively the "Subcontractors') which will be performing the Work or providing materials and supplies with respect thereto. Such list (the "Subcontractor's List") must be updated within forty-eight hours after any additional Subcontractors are engaged or retained. The General Contractor must submit notification to the Managing Agent (each a "Notice") containing the name of any Subcontractor requiring access to the Property in furtherance of the Work, no less than forty-eight (48) hours in advance of the time that such access is required. The Notice shall include (a) the list of the individuals employed by the Subcontractor (the "Subcontractor's Employees") and (b) the period of time that the Subcontractor seeks to "book" the elevators to bring the Subcontractor's Employees and materials and supplies to the Unit. No Subcontractor will be permitted access to the Building unless the name of such Subcontractor is on the Subcontractor's list and a copy of the subcontract for such Subcontractor has been provided to the Condominium Board. The General Contractor acknowledges that the allocation of elevator "time" shall be made by the Managing Agent, in its discretion, subject to the availability of elevators.

(B) Each Subcontractor's Employee identified in the Notice will be given an access pass. Such pass must be worn by the Subcontractor's Employees whenever they are in the Building and must be returned at the end of each work day. All persons gaining access to the work site must wear hard hats and such other safety gear as may be required by Sponsor or the Condominium Board.

(C) The party to whom communications are required to be made hereunder and under the Alteration Agreement, including, without limitation, the submission of the Subcontractor's List and the Notices is _____. The Managing Agent reserves the right to change the aforementioned individual upon written notice to the General Contractor and Unit Owner.

Any terms not otherwise defined in this letter will have the meaning ascribed thereto in the Alteration Agreement. By execution of this letter below, the General Contractor hereby acknowledges and agrees to the foregoing and agrees to comply with those provisions of the Alteration Agreement which are the obligation of the General Contractor to perform.

[GENERAL CONTRACTOR]

By: _____
Name:
Title:

EXHIBIT B

Each of Unit Owner's contractors shall provide insurance of the types and in not less than the limits set forth below with a company or companies satisfactory to the Condominium Board, licensed to do business in the State of New York, and all such policies shall name the Condominium Board, the Condominium Board's officers, directors and Unit Owners, the Designated Engineer, Sponsor and the Managing Agent as additional named insureds. No diminution of limits of insurance will be permitted.

(i) **WORKER'S COMPENSATION** as required by law together with Employer's Liability Insurance and Disability Benefits Insurance as required by the State of New York.

(ii) **COMMERCIAL GENERAL LIABILITY** including Contractor's Liability and Blanket Contractual Liability (oral or written), all on an occurrence basis with Personal Injury Coverage, which shall include mental anguish as well as standard conditions, and Broad Form Property Damage, without any exclusion relating to Explosion, Collapse and Underground Property Damage.

The policy will contain the "Broad Form Comprehensive General Liability" endorsement in Section 1 in such form; the exclusion pertaining to liability assumed by the Contractor under any contract or agreement (Section II Section B(l) is to be deleted). The Completed Operations Coverage is to extend for a period of one year following termination of the Work and Contractual Indemnity Coverage is also to extend for one year following termination of the Work. The policy is also to include (a) Owners Protective Liability Coverage, (b) Knowledge of Occurrence and Notice of Occurrence endorsements and (c) Unintentional Errors and Omissions clause. The policy shall also include coverage with respect to asbestos exposure if the Work involves any asbestos-containing material, and shall not include a sunset clause without the Condominium Board's consent.

$1,000,000 BODILY INJURY & PROPERTY DAMAGE[1]* (combined single limit)

(iii) **COMPREHENSIVE AUTOMOBILE LIABILITY**, including non-ownership and hired car coverage, as well as owned vehicles:

$1,000,000 BODILY INJURY & PROPERTY DAMAGE (combined single limit)

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[1] Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

(iv) **UMBRELLA LIABILITY, BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE** If umbrellas are written in more than one company any layers above the first one shall follow the form of the primary umbrella.

$3,000,000 COMBINED[2]*
(combined single limit)

Prior to the commencement of any work hereunder, detailed certificates of insurance shall be furnished to the Condominium Board showing that such insurance is in full force and the premiums due thereunder have been paid. Such certificates shall provide that the said insurance may not be canceled, terminated or modified without ten (10) days written advance notice thereof to the Condominium Board. The Contractor shall promptly furnish the Condominium Board with copies of any endorsements subsequently issued amending insurance coverage or limits.

In the event of the failure of the Contractor to furnish and maintain such insurance, the Condominium Board shall have the right, at its option, at any time:

(a) to revoke permission to perform the work and to deny entry into the Building of all workers, except that if such workers are escorted by a member of the Building's staff, they shall be permitted to remove their tools and supplies, or

(b) to take out and maintain the said insurance for and in the name of the Condominium Board, the Contractor or Unit Owner and, in such a case, Unit Owner agrees to pay the cost thereof and to furnish all information and consents necessary to permit the Condominium Board to take out and maintain such insurance for and in the name of the Condominium Board, the Contractor or Unit Owner.

Compliance with the foregoing requirements to carry insurance and furnish certificates shall not relieve Unit Owner from liability assumed under any provisions of this Agreement.

The Contractor's insurance policy shall also contain in substance the following endorsement:

This insurance shall not be invalidated should the insured waive, in writing, prior to a loss, any or all right of recovery against any party for the loss occurring to the property described herein.

Nothing in this Exhibit B shall constitute a waiver of or limitation of any other rights or remedies the Condominium Board may have for consequential damages or otherwise.

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[2] Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

EXHIBIT C

ASSUMPTION OF ALTERATION AGREEMENT

WHEREAS, simultaneously with its execution and delivery of this Assumption of Alteration Agreement the undersigned is becoming the owner of Unit ____ in the building known as The Caledonia and located at 450 West 17th Street, New York, New York 10011; and

WHEREAS, a prior owner of the Unit and the Condominium Board entered into an Alteration Agreement dated _____, ____ ("Alteration Agreement"), a copy of which is attached hereto,

WHEREAS, the Alteration Agreement (1) provides that any person acquiring the Unit shall assume the obligations of the Unit Owner under the Agreement and (2) authorizes the Condominium Board not to accept the sales package in connection with its waiver of its right of first refusal unless and until such person assumes the obligations of the Unit Owner under the Agreement,

NOW, THEREFORE, in order to induce the Condominium Board to accept the sales package and waive its right of first refusal, the undersigned hereby ASSUMES AND AGREES TO PERFORM AND OBSERVE all the terms, covenants and conditions of the Alteration Agreement to be performed or observed by the Unit Owner thereunder (including the provisions of Section 18 thereof pertain to future transfers).

Henceforth, the term "Unit Owner" as used in the Alterations Agreement shall include the undersigned. Any breach of this Assumption of Alterations Agreement or of the Alterations Agreement shall constitute a breach of the By-Laws of the Condominium. This Assumption of Alteration Agreement shall be binding on the undersigned and [her][his] estate, heirs, executors, administrators, personal representatives, successors and assigns.

New York, New York
Date: _____

_____
_____

State of New York }
} ss.:
County of New York }

On this _____ day of _____, _____ before me personally came _____, to me known and known to me to be the individual described in and who executed the foregoing instrument, and duly acknowledged to me that [she][he] executed the same.

_____
Notary Public

EXHIBIT D

TO: [Addressed to the Unit Owners
or residents of the units
adjacent to, above and below,
the Unit Owner's unit]

DEAR _____:

In accordance with the Alteration Agreement between me and the Board of Managers (the "Board") of the _____ (the "Condominium") covering the alterations to be performed in unit ___, you are advised as follows:

1. Alterations will be performed in unit ___ commencing on or about _____. The alteration agreement with the Board permits me an aggregate of ___ days to complete the alterations.

2. I hereby agree to indemnify you for any damage whatsoever to your unit caused by the alterations performed in my apartment as determined by the Condominium's architect. I agree to pay the reasonable cost of repair of such damage. At your option, such repair may be performed, at my expense, by contractors of your choice or by my contractors.

3. In order to take advantage of the foregoing indemnification, you must permit my designated representatives to inspect your apartment prior to the commencement of my alterations. Please call me at _____ to arrange the inspection. You must also permit my designated representative to inspect any damage you claim my alterations have caused.

Very truly yours,

_____
Unit Owner

Unit No.: _____

Date: _____

EXHIBIT "19"

LIEN LAW §71-a(3)

3. (a) The initial advance pursuant to a contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of residential condominium unit or any structure designed solely for residential occupancy of not more than two families living separately, on property to be purchased shall, at the vendee's option, be deposited within five business days thereafter by the recipient in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in this state. Such deposit, together with the interest accumulated thereon, shall remain the property of the vendee except as otherwise provided herein. The recipient shall advise the vendee in writing of the name of the depositary where the funds have been placed within ten business days after such deposit has been made.

(b) In lieu of making the deposit of such moneys in an escrow account as provided in paragraph (a) of this subdivision, the recipient may post with the vendee a bond or contract of indemnity, issued by a surety company licensed to execute such an instrument in this state, guaranteeing the return of the moneys which otherwise would be required to be deposited in such escrow account, in which case the recipient shall not be required to deposit such money in an escrow account. Said bond or contract of indemnity shall be delivered to the vendee within ten business days after receipt of the initial advance.

(c) At any time after making the deposit of such moneys in the escrow account, the recipient may post with the vendee a bond or contract of indemnity issued by a surety company licensed to execute such an instrument in this state guaranteeing the return of such moneys, in which case the recipient shall not be required to maintain the deposit of such moneys in such account.

(d) Such advance shall be retained in the escrow account or such bond or contract of indemnity continued in effect until the trust is terminated (i) by the recipient's performance of the terms of the contract of sale, or (ii) by default of the vendee excusing the recipient's performance of the terms of the contract of sale, or (iii) by release or discharge of the recipient's liability to refund such advance to the vendee, or (iv) upon transfer of title of the real property to the vendee.

(e) Every contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of a residential condominium unit or a structure designed solely for the residential occupancy by not more than two families living apart, shall contain a statement advising the vendee of the provisions of this subdivision. Such statement shall be printed in bold type which is at least two points larger than any other printing contained thereon and shall read as follows:

> "YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE."

EXHIBIT "20"

ZLDA

ZONING LOT DEVELOPMENT AGREEMENT

THIS ZONING LOT DEVELOPMENT AGREEMENT (this "Agreement"), made as of -2005, by and between 437 WEST 16TH STREET LLC, having an address at 437 West 16th Street, New York, New York 10011 ("Owner") and 17TH AND 10TH ASSOCIATES LLC, having an address at 60 Columbus Circle, New York, New York 10023 ("Developerrl.

WITNESSETH:

WHEREAS, Owner is the owner in fee title of a certain parcel of land, with the buildings and improvements thereon, in the City, County and State of New York, known as and by the street address 437 West 16th Street, New York, New York and by the tax lot Section 3, Block 714, Lot 14 and more particularly described in Exhibit A-1 annexed hereto and made a part hereof (said land and tax lots being hereinafter referred to as "Owner's Land"; said buildings and improvements, together with any future additions, alterations and replacements thereof being hereinafter referred to as "Owner's Building"; and said land and buildings and improvements being hereinafter referred to as "Owner's Property");

WHEREAS, Developer is the owner of fee title of certain parcels of land, with the buildings and improvements thereon, in the City, County and State of New York, known as and by the street addresses 108 10TH Avenue, 431-435 West 16th Street, 445 West 16th Street, and 440-452 West 17th Street, New York, New York and by the tax lots Section 3, Block 714, Lots 1 & 16 ("Lot 1 " and "Lot 16", respectively) and more particularly described in Exhibit A-2 annexed hereto and made a part thereof (said land and tax lot being referred to herein as "Developer's Land"; and, together with any and all buildings and improvements located thereon, together with any future replacements thereof being hereinafter referred to, collectively, as "Developer's Property");

WHEREAS, Developer intends to construct a new building, or buildings, upon all or a portion of Developer's Land (any such new building(s) constricted on Lot 1, with any further additions, alterations and replacements thereof, being herein, collectively referred to as the "Lot 1 Building"; any such new building(s) constructed on Lot 16, with any further additions, alterations and replacements thereof, being herein, collectively referred to as the "Lot 16 Building"; and the Lot 1 Building and the Lot 16 Building being herein referred to, collectively, as the "New Building"; Owner's Land and Developer's Land are herein sometimes jointly referred to as the "Parcels" and each individually as a "Parcel");

WHEREAS, it is contemplated that the New Building will contain more floor area (herein referred to as "Floor Area"), as that term is defined in the Zoning Resolution of the City of New York effective December 15, 1961 (the "Zoning Resolution") than is now available for use under the "floor area ratio" limitation contained in the present Zoning Resolution related to Developer's Land as independent "zoning lots", with the result that Developer desires to utilize the procedure available under the Zoning Resolution for combining Developer's Land and Owner's Land into a single "zoning lot" for the purpose of ensuring compliance by the New Building with such limitation;

WHEREAS, there exist Floor Area Development Rights (hereinafter defined) which are appurtenant to Owner's Land which are in excess of the Floor Area Development Rights utilized by Owner's Building and the same are available for transfer pursuant to the Zoning Resolution. As used in this Agreement, the tern "Floor Area Development Rights" shall mean the rights, as determined in accordance with the Zoning Resolution, which are appurtenant to a zoning lot, to develop such zoning lot by erecting thereon a structure or structures with a total zoning floor area determined by (i) multiplying the area of such zoning lot by the basic maximum allowable floor area ratio for structures in the zoning district in which such zoning lot is located, and (ii) the inclusion of any available additional floor area and any use, bulk, density and other development rights permitted under the Zoning Resolution which may be authorized to be developed by the appropriate agency of the City of New York (the "City"); and

WHEREAS, in order to construct the New Building with the excess bulk on Developer's Land, Developer acquired the Available Development Rights from Owner's Land pursuant to that certain Zoning Lot Merger Purchase and Sale Agreement between Developer and Owner dated as of September _, 2005 (the "Effective Date"). As used in this Agreement, "Available Development Rights" shall mean (i) (a) the Floor Area Development Rights appurtenant to Owner's Land as of the Effective Date, and (b) any and all development rights and other benefits *which* are or may become available to Developer or Owner through any law or regulation allowing purchase of development rights or other benefits by properties which are located in Sub Area 1 of the Special West Chelsea District, on a zoning lot over which the High Line passes, including, but not limited to, any so called High Line Improvement Bonus now or hereafter attributable to the hereinafter defined Single Zoning Lot ("High Line Rights") less (ii) (x) the amount of Floor Area Development Rights utilized by Owner's Building as of the Effective Date and (b) any and all development rights resulting from any upward revision on or after the Effective Date by the City of the allowable floor area ratio, and any floor area and development rights resulting from the inclusion on or after the Effective Date of any available additional floor area. and any use, bull,, density and other development rights permitted under the Zoning Resolution (collectively, "Up-Zoning Rights"). Owner has agreed to permit Developer to utilize Owner's Available Development Rights, on the terms and conditions hereinafter set forth, it being understood and agreed, however, that Owner is retaining for its own benefit any and all (A) Floor Area Development Rights and all other rights utilized to Owner's Building as same exists as *of the Effective Date* , and (B) Up-Zoning Rights (such Floor Area Development Rights, together with such Up-Zoning Rights being, collectively, referred to herein as the "Retained Development Rights").

NOW THEREFORE, in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I DECLARATION OF RESTRICTIONS

Section 1.1. The parties hereto are, simultaneously herewith, executing and delivering a Declaration of Restrictions, as defined in Section 12-10 of the Zoning Resolution (herein called the "Declaration"), a copy of which Declaration is annexed hereto as Exhibit and made a part hereof, which seeks to effectuate the intentions of the parties set forth in the preamble to this Agreement by creating a single zoning lot (herein called the "Single Zoning Lot") comprising both Owner's Land and Developer's Land,

ARTICLE II DEVELOPMENT RIGHTS

Section 2.1. Owner hereby transfers and conveys to Developer the Available Development Rights and consents to Developer's incorporation of the Available Development Rights into the New Building and Developer's utilization of the Available Development Rights to develop Developer's Land in a manner consistent with and subject to the terms and conditions of this Agreement. Developer hereby acknowledges and agrees that Owner shall retain all rights in and to the Retained Development Rights and all other rights pertaining to Owner's Building and Owner's Property as the same exists on the Effective Date, and Developer shall have no rights with respect to any of the Retained Development Rights or Owner's use thereof.

Section 2.2. Owner covenants and agrees that no building or other improvements shall be constructed or allowed to exist on the Owner's Land and/or on the Owner's Building, including skylights, elevator housing, water towers or other equipment required for the operation of the Owner's Building, above the vertical plane (the "Restricted Plane") existing twenty (20') feet above the highest point of the parapet on Owner's Building, as same exists on the date hereof (the "Owner's Parapet Reference Point"). If Owner's Building shall be damaged or destroyed, or should Owner perform any repairs to the parapet on Owner's Building, and, as a result of such damage or repairs, the then highest point of the parapet on Owner's Building is no longer exactly the same as the Owner's Parapet Reference Point, then, from and after the date of such damage or repairs, the Owner's Parapet Reference Point shall be deemed to be at 90.6 feet above Manhattan Highway Datum, which is 2.75 feet above *the* National Geodetic Survey Datum of 1929 (US Coast and Geodetic Survey Datum) mean Sea Level, Sandy Hook, New Jersey, as shown on the survey bearing Surveyed date of March 9, 2005, prepared by Fehringer Surveying, P.C. Notwithstanding the foregoing covenant (i) all improvements existing on Owner's Land as of the date hereof may remain, and replacements thereof may be installed, for so long as Owner's Building shall stand, and (ii) to the extent that any existing or future improvement on the Developer's Land shall (a) cause any portion of the Owner's Building to no longer comply with then applicable laws, codes or regulations, or (b) render any portion of the Owner's Building unreasonably unsafe, or (c) adversely affect, in a material way, the operation or performance of any portion of the Owner's Building, then in any of such events, the Owner shall be entitled to make such improvements and alterations to the Owner's Building as the Owner shall reasonably deem appropriate in order to eliminate or mitigate the impact on the Owner's Building and the use and enjoyment thereof, caused by any such improvement on the Developer's Land. Prior to commencing any such work, Owner shall submit to Developer plans and specifications for the proposed work. Owner shall use good faith reasonable efforts to accommodate any reasonable

concerns which Developer may have and resolve any reasonable objections which Developer may have. Further, Owner and Developer agree that, provided Developer shall have responded to Owner within ten (10) day's from Owner's submission of the plans and specifications, Owner agrees to meet, in person, with Developer, within five (5) days from such response of Developer, Developer and Owner hereby agreeing that they shall use good faith efforts to resolve any issues raised by Developer. If either (1) Developer shall have failed to respond to Owner within (10) day's from Owner's initial submission, or (2) if Owner and Developer fail to reach an agreement within five (5) days from meeting to discuss their respective concerns, then, in either case, Owner shall be authorized to proceed with the work shown on the plans and specifications initially submitted by Owner. Developer shall reimburse Owner for the reasonable costs and expenses actually incurred by Owner in connection with such work in the same manner as provided in Section 4.2(B) hereof as if such work was "Developer Damage," as defined in Section 4.2(B).

Section 2.3. Developer covenants and agrees that, with respect to that portion of the Lot 1 Building constructed on the eastern perimeter of Lot 1, solely to the extent same runs in a northerly direction parallel with the western perimeter of Lot 14, and no further north than the intersection of said western perimeter of Lot 14 and the northerly perimeter of Lot 14, no windows, louvers, exhaust vents or other penetrations shall be installed or made in said Building, on the east-facing fagade, except for inoperable lot line windows. The foregoing negative covenant shall continue in effect notwithstanding any change in applicable laws, codes or regulations with respect to lot line windows.

Section 2.4. Developer acknowledges and confirms that a material inducement to Owner to enter into this Agreement is Developer's covenant, on behalf of itself and all successors and assigns, that no improvement, installation, building or activity on or with respect to Lot 16 shall obstruct in any way the existing views, light and air enjoyed by Owner over Lot 16, or otherwise unreasonably interfere with Owner's use of the existing roof terrace on Owner's Building. In order to preserve such views, light and air, Developer hereby covenants and agrees as follows: (a) in no event shall the Lot 16 Building or any addition, alteration or replacement thereof, be constructed or rebuilt so as to extend to a height exceeding the horizontal plane located five (5') feet below Owner's Parapet Reference Point (the "Buffer zone"), nor shall any future installations on the roof of the Lot 16 Building or any replacement thereof, including without limitation, skylights, antennas, elevator housing, water towers, cooling towers, condensers, air handlers, fans, vents, intakes, dunnage or other equipment required for the operation of the Lot 16 Building (collectively, "Rooftop Installations") be constructed, installed or permitted to penetrate or otherwise encroach upon said Buffer Zone; (b) Developer will use commercially reasonable efforts to locate all Rooftop Installations within the eastern two-thirds (2/3rds) of the roof of the Lot 16 Building; (c) if, despite the exercise of such commercially reasonable efforts, any Rooftop Installations are located on the western one-third (1/3rd) of the roof of the Lot 16 Building, then (i) in no event shall any such Rooftop Installation be located closer than two (2') feet from Owner's eastern parapet, and (ii) Developer will ensure that the regular operation of any such Rooftop Installations do not exceed 52 dba, as measured from the eastern parapet of Owner's roof; (d) if, despite the exercise of such commercially reasonable efforts, any air conditioning units are located on the western one-third (1/3rd) of the roof of the Lot 16 Building, such air conditioning units, in the aggregate, shall not exceed 100 tons; (e) any power generating equipment which is placed on the roof of the Lot 16 Building shall be equipped with

reasonable sound attenuating devices, such as a muffler, and shall be installed in a reasonable sound attenuating enclosure; and (f) Developer shall not permit any Rooftop Installation to emit electromagnetic radiation in the direction of Owner's Land, except as may be permitted by applicable law, rules, regulation and ordinances applicable to a building with a roof terrace located on an adjoining building.

Section 2.5. Owner acknowledges that it has been advised by Developer that Developer may seek to acquire additional Floor Area Development Rights from any other source (hereinafter "Additional Floor Area Development Rights") so as to further increase the potential Floor Area of the New Building and consents to Developer's acquisition of such Additional Floor Area Development Rights and agrees that Developer may incorporate into the New Building any Additional Floor Area Development Rights which Developer may hereinafter acquire. Owner acknowledges that it has been advised by Developer that Developer intends to acquire High Line Rights and Owner hereby consents to the incorporation of same into the Single Zoning Lot.

Section 2.6. Owner hereby agrees with Developer that Developer may incorporate into the New Building all of Owner's Available Development Rights, and any Additional Floor Area Development Rights and/or any High Line Rights, provided, however that the Floor Area of all improvements on the Developer's Land shall not, at any time, exceed the maximum permissible amount of Floor Area permitted on the Single Zoning Lot, except as provided in Section 3.1 (B) hereof. Developer covenants that the Floor Area of the New Building will not, upon completion, exceed such limit, as certified by the architectural firm retained by Developer. Owner represents and warrants that it has not previously transferred, assigned nor encumbered Owner's Available Development Rights in any manner whatsoever, except insofar as such rights are encumbered by the lien of the mortgages existing on the Effective Date.

Section 2.7. Owner shall not interfere with or otherwise impede Developer in the creation of the Single Zoning Lot, the prosecution of all zoning and variance applications relating to the New Building, the incorporation therein of Available Development Rights and Owner shall cooperate in the execution of all documents pertaining thereto and reasonably required therefor, including the execution of a Master Zoning Lot Development Agreement ("Master ZLDA") by and among Developer and the owners of property from which Developer has acquired Available Development Rights provided that the terms of the Master ZLDA are not inconsistent with the terms of this Agreement; provided further, however, that any such zoning or variance application shall not request a waiver of any applicable law, rile or regulation concerning any required yard or set back between the New Building and the lot line between Developer's Property and Owner's Property. Nothing herein shall be deemed to require Owner to join in any application or consent to any application which in Owner's judgment would impair the development, use or enjoyment of Owner's Land. If requested by Developer, and subject to the foregoing provisions of this Section 2.7, Owner shall use reasonable efforts to appear personally or through an attorney and confirm at any community board or any public or governmental agency hearing in connection therewith that Owner does not object to the development of Developer's Property in the manner contemplated by this Agreement. Subject to the foregoing terms and conditions of this Section 2.7, Owner shall not voluntarily appear in opposition to Developer in any action brought, sought or defended by Developer before the Planning commission of the City of New York, the New York City Board of Standards and Appeals, the New York City Department of Building, or any other city, state

or federal agency, arising out of or in connection with any zoning or variance applications relating to the New Building and the incorporation of the Available Development Rights therein, or any other amendment, permit, approval, license or ruling that, in the sole judgment of the Developer, affects or may affect the incorporation of the Available Development Rights in the New Building, provided, however, that the resultant planned development of the Developer's Land is consistent with the terms and conditions of this Agreement. Subject to the limitations contained in this Section 2.7, if requested by Developer, Owner shall join in any application or applications which may be necessary in the view of any of the governmental agencies set forth herein, by reason of Owner's status as a party in interest in connection with the Single Zoning Lot, in order to effect the use by the Developer of the Available Development Rights and their availability for the incorporation in the New Building. Nothing herein shall be deemed to prevent or limit Owner, and in no event shall Owner be limited in or prevented from, taking any action which Owner reasonably believes is necessary or prudent in order to preserve and protect the Available Development Rights and Owner's Retained Development Rights.

Any action requested of the Owner by the Developer pursuant to this Article 2, or elsewhere in this Agreement, shall be without cost or expense to the Owner, and any reasonable costs or expenses incurred by Owner by reason of its compliance with the terms and conditions
of this Agreement will be paid, without limitation, by the Developer without recourse to Owner. The parties acknowledge that cooperation by Owner shall not include any action which would adversely affect the current or future use of the Owner's Building nor create any rights of access thereon or therein. Solely for the purpose of effectuating Owner's agreement to cooperate and assist Developer in the incorporation of Owner's Available Development Rights and any Additional Floor Area Development Rights, Developer is hereby irrevocably appointed the attorney-in-fact of the Owner in its name and stead to execute any and all applications with the Buildings Department, applications pursuant to the proposed Article DC of Chapter 8 of the Zoning Resolution, and any necessary documentation incidental thereto, in order to effect the use by the Developer of the Available Development Rights and their availability for incorporation in the New Building. The powers herein granted are coupled with an interest and irrevocable. Notwithstanding the foregoing, for only so long as Carol Kleinberg and/or Paul Kleinberg is or shall be the beneficial owner of Owner's Building, prior to utilizing the power of attorney hereinabove granted to Developer, Developer shall first provide Owner with the documents that Developer proposes to execute and shall allow Owner the opportunity to execute the same. Developer shall utilize good faith reasonable efforts to discuss with Owner the significance of and need for Owner's signature on such documents. If, after the tenth (10th) day following Developer's delivery of documents to Owner, Owner has not signed such documents, then Developer shall be authorized to sign same in the place and stead of Owner to the extent permitted by the foregoing power of attorney. Developer agrees to promptly provide copies of any such documents executed by Developer to Owner.

Section 2.8. A. Subject to Developer's consent as hereinafter provided and Owner's compliance with the provisions of this subdivision A, Developer hereby grants to Owner a license ("License") to install on the roof of the Lot 1 Building, (the "Rooftop Licensed Site"), up to two (2) satellite dishes not exceeding 18" in diameter each (collectively, the "**Satellite** Dishes", and together with the hereinafter defined "Owner's Satellite Dish Connecting Equipment", sometimes referred to herein, collectively, as "Owner's Satellite Dish Equipment". In the event that Owner

seeks to install such Owner's Satellite Dish Equipment, Owner shall, at its sole cost and expense, prepare and deliver to Developer detailed plans and specifications of the proposed Owner's Satellite Dish Equipment, its placement on the roof (including the method of installation and the proposed location of Owner's cables (referred to herein as "Owner's Satellite Dish Connecting Equipment") connecting such Satellite Dishes to equipment in the Owner's Building running through conduits, pipes or shafts in or on the Lot 1 Building, the exact location of which shall be approved and designated by Developer, in its sole discretion, it being understood and agreed that Developer, at Owner's sole, but reasonable cost and expense, shall install the PVC or metal conduit which shall provide the pathway for Owner's Satellite Dish Connecting Equipment from a point adjacent to the bulkhead on the west-side of Owner's Building to the Rooftop Licensed Site. No work shall commence until Developer has approved in writing, such drawings, plans and specifications, which approval shall not be unreasonably withheld, delayed or conditioned. All of the foregoing installations of Owner's Satellite Dish Equipment shall be made at Owner's sole cost and expense and in accordance with all the provisions of this Agreement. Developer shall have no responsibility for the maintenance and repair of Owner's Satellite Dish Equipment unless caused by Developer's negligence or willful misconduct, and Owner, at Owners sole cost and expense, shall keep all said installations of Owner's Satellite Dish Equipment in good condition and make all necessary repairs and replacements thereto and to the Lot I Building occasioned thereby. Owner, at Owner's cost and expense, shall repair any damage to the Lot 1 Building occasioned by the installation, maintenance, relocation or removal of such Owner's Satellite Dish Equipment. Owner fin-ther agrees that the maintenance and operation of Owner's Satellite Dish Equipment shall comply, at all times, with all applicable laws, ***codes,*** regulations and ordinances ("Legal Requirements"). In the event Owner chooses to use a contractor for installation, the installation of Owner's Satellite Dish Equipment shall be made on behalf of Owner by a contractor or contractors designated by Owner and approved by Developer, in its sole discretion, it being agreed that Kleinberg Electric, Inc. is hereby approved. Furthermore, Owner acknowledges and agrees that the Rooftop Licensed Site shall not be located on the very top of Owner's Building, but only at such height as shall be reasonably necessary to provide an unobstructed line-of-sight in a southwesterly direction reasonably suitable for its intended purpose.

B. License Term. It is acknowledged and agreed by the parties hereto that the License being granted hereunder shall be enjoyable only by Owner, until the date which shall be the earlier to occur of the date that neither Carol Kleinberg nor Paul Kleinberg (i) are individually beneficial owners of Owner's Property, or (ii) reside in Owner's Building. In the event of the occurrence of either of the foregoing events, the License granted hereunder shall immediately and automatically expire, become null and void and of no further force or effect. Upon such expiration date or sooner termination of the License term, if due to Owner's breach of this Agreement, which breach is not substantially cured within 72 hours notice from Developer to Owner, or if required by any Legal Requirements, Owner, at Owner's sole cost and expense, shall remove such installations and make all repairs to the Lot 1 Building occasioned by such removal. Owner may, at any time, elect to terminate the License and remove Satellite Dishes, at a reasonable time, and upon reasonable advance notice, it being understood and agreed, that upon receiving such notice, Developer, at its sole election and at no cost or expense to Developer, may require Owner to surrender to Developer, and leave in its place, Owner's Satellite Dish Connecting Equipment.

C. (1) No Interference/Shutdowm Owner agrees that Owner's Satellite Dish Equipment shall be designed, operated, installed and maintained in such a manner that it shall not (i) interfere with any other then existing telecommunication equipment on or in the Lot l Building, or (ii) interfere with the use of the roof, or if applicable "set-back", or any other part of the Lot 1 Building by Developer or any tenant, unit owner, occupant of the Lot 1 Building including the operation of communication or computer equipment by such person or any telecommunications licensee, or (iii) create any danger to the health and safety of persons or the Lot 1 Building or to the environment. For the purpose hereof, such interference shall include (i) any electrical, electromagnetic or radio frequency interference or (ii) any restrictions or limitation of any tenants, or unit owners, as the case may be, in the Lot 1 Building to peacefully use or occupy their space. If, in the sole judgment of Developer, any such interference or danger shall occur as a result of the operation of Owner's Satellite Dish Equipment, then Owner shall promptly correct or cure such situation at Owner's sole cost and expense including Owner's promptly ceasing operation and use of Owner's Satellite Dish Equipment (except for intermittent testing on a schedule approved by Developer) until the interference or emergency situation has been corrected to the satisfaction of Developer. Notwithstanding the foregoing, Developer makes no representation that any such other licenses or equipment shall not interfere with the operation of Owner's Equipment.

If Owner shall fail to promptly (i.e. 24 hours) remedy or cure such interference, whether by disconnecting or removing Owner's Satellite Dish Equipment or otherwise, and an emergency or dangerous situation arises or is exacerbated therefrom, then, Developer may act, at Owner's cost and expense, to disconnect or remove Owner's Satellite Dish Equipment to eliminate such interference and/or correct such emergency situation and Developer shall have no liability to Owner as a result thereof.

(2) (a) Developer reserves the right (referred to herein as "Developer's Relocation Right', in its sole discretion, to relocate the Owner's Satellite Dish Equipment, or any item thereof, to another location on the Lot 1 Building suitable for the operation thereof.

(b) Notwithstanding anything contained herein to the contrary, in the event that Developer exercises such Developer's Relocation Right, Owner shall, at Owner's cost and expense, relocate Owner's Satellite Dish Equipment to such new relocated Rooftop Licensed Site on or before the date set forth in Developer's notice to Owner of such relocation provided that such date shall not be earlier than sixty (60) days of the date of Developer's notice to Owner exercising such Developer's Relocation Right.

D. Use. Owner shall use Owner's Satellite Dish Equipment solely for purposes receiving satellite radio and or television signals.

E. Electricity. In no event shall Owner's Satellite Dish Equipment require any electricity in connection with its use or operation, other than as may be required to operate the same on Owner's Property.

F. Access. Owner and Owner's contractors and agents, upon reasonable advance notice to Developer (but, in no event less than forty-eight (48) hours' notice) shall be permitted reasonable access to the Lot I Building for the sole purpose of installing, maintaining, repairing and/or replacing any of Owner's Satellite Dish Equipment, provided, however, that, during

all such access, Developer shall have the right to have a designated representative of Developer supervise Owner's and Owner's contractors' and agents' activities.

G. Indemnity. Owner shall indemnify and hold harmless Developer, its employees, agents, representatives, invitees contractors, tenants, occupants, and any unit owners of the Lot 1 Building, and of the Lot 1 Building from all loss, costs, liability, damage and expense, including, but not limited'to reasonable counsel fees and disbursements, reasonably or resulting or occurring in any way from Owner's installation, maintenance, repair, replacement and/or removal of Owner's Satellite Dish Equipment. The indemnity given hereunder shall survive the expiration or sooner termination of the License term for a period of sixty days.

H. Insurance. Prior to performing any work on Developer's Property, and at all times thereafter, during the term if the License, Owner shall name Developer as an additional named insured under an insurance policy, with a limit of not less than $2,000,000.00, and shall deliver to Developer a certificate evidencing such insurance.

ARTICLE III CONSTRUCTION ON THE SINGLE ZONING LOT

Section 3.1. The following provisions shall be applicable in the event of destruction (or substantial damage tantamount to destruction) of any building in the Single Zoning Lot:

A. If the Owner's Building or any other improvement on the owner's Land shall be damaged or demolished, then the Floor Area which may exist on the owner's Land after the reconstruction may equal, but may not exceed the present Floor Area of the Owner's Building, except that there may be added thereto such additional Floor Area computed with respect to the Owner's Land as would be available because of design or location on the Owner's Land or by reason of the Retained Development Rights but, after subtracting the Owner's Available Development Rights transfened hereunder. The restrictions contained in Article 2 of this Agreement shall continue to apply to any replacement of Owner's Building.

B. If the New Building or any other improvement on the Developer's Land shall be damaged or demolished, then the Floor Area which may exist on Developer's Land after reconstruction may equal, but not exceed, the present permissible Floor Area allowable for the New Building, except that there may be added thereto such additional Floor Area computed with respect to the Developer's Land as may be available because of design or location on the Developer's Land, plus the Owner's Available Development Rights transferred hereunder or the acquisition of Additional Floor Area Development Rights. The restrictions contained in Article 2 of this Agreement shall continue to apply to any replacement of the Developer's Building.

C. The foregoing provisions of this Section 3.1 are subject to the then restrictions of the Zoning Resolution and if the full amount provided for in subparagraphs A and B above cannot be built because of such restrictions, then no rights shall accrue to one party hereto against the other for such reason.

D. Each party shall upon request of the other party, furnish to such other party any and all further consents and other instruments which may be required to accomplish the allocations of floor area above provided.

Section 3.2. Construction plans and specifications and any applications to the Building Department for any building on either Parcel shall be separate and independent from those for any building on the other Parcel, and shall be so filed with the Building Department as to obtain separate "new building" and "alteration" treatment and application numbers. Developer shall not make any application to the Building Department or any other government authority for any construction, alteration, reconstruction or other similar work in any building or other structure on its Parcel which could in any way restrict the rights of Owner to maintain the improvements on Owner's Land.

ARTICLE IV CONSTRUCTION EASEMENTS

'o 4 1. Developer covenants and agrees that it will take all actions and steps as are required by law and good construction practices to protect Owner's Building and to ensure the safety of the occupants of Owner's Building and the protection of property of all parties during the construction of the New Building. In furtherance thereof, Owner hereby grants to Developer certain easements for access upon Owner's Land (the "Access Easements"; all work performed to effectuate the Access Easements pursuant to this Article IV is hereinafter referred to as the "Construction Easements Work's solely for (i) the attachment of foundation and building supports and shoring to and bracing of Owner's Building, (ii) the installation of protective covering over the roof, facade and other portions of Owner's Building from debris during the construction of the New Building; and (iii) the maintenance, repair and replacement of such attachments and installations.

Section 4.2. A. The Access Easements and Construction Easements Work granted herein shall be exercised (i) in accordance with all applicable law, and only after issuance of all required work permits; (ii) in a prompt, safe and efficient manner and otherwise in accordance with good construction practices; (iii) in a manner so as not to cause a reduction in any required or ancillary services under the laws governing rent stabilized or rent controlled buildings in the City of New York and so as not to otherwise unreasonably interfere with the use, occupancy or enjoyment of Owner's Building by Owner or a tenant of Owner, (iv) only on weekdays, excluding holidays, during the hours of 7:00 am through 4:00 pm; (v) in a manner so as not to interfere with the structural integrity of Owner's Building; (vi) taking such precautions as may be necessary or appropriate to prevent damage to Owner's Building and any adjacent or adjoining property; and (vii) so that no more than 4 workers shall be on the roof of Owner's Building at any one time. For only so long as Carol KleinWrg and/or Paul Kleinberg is, or shall be, the beneficial owner of Owner's Building, prior to commencing any Constriction Easements Work, Developer shall submit to Owner the plans and specifications for all such work and a description
of the means, methods and techniques to be employed in accomplishing the work depicted in such plans and specifications (collectively, the "Submissions"). Developer shall use good faith reasonable efforts to accommodate any reasonable concerns which Owner may have and resolve any reasonable objections which Owner may have to anything contained in the Submissions. Further, Owner and Developer agree that, provided Owner shall have responded to Developer within ten (10) day's from Developer's delivery to Owner of the complete Submission, Developer agrees to meet, in person, with Owner, within five (5) days from such response of Owner, Developer and Owner hereby agreeing that they shall use good faith efforts

to resolve any issues raised by Owner. If either (1) Owner shall have failed to respond to Developer within (10) day's from Developer's delivery to Owner of the complete Submission, or (2) if Owner and Developer fail to reach an agreement within five (5) days from meeting to discuss their respective concerns, then, in either case, Developer shall be authorized to perform the work depicted in the Submissions.

B. Developer hereby agrees to indemnify and hold Owner harmless from and against any claims, loss, cost or expense, including reasonable attorneys fees and disbursements, which Owner may ***suffer*** by reason of Developer's performance of the Construction Easements Work or the construction of the New Buildings (collectively, "Developer Work"). Prior to commencing any Developer Work, Developer shall (i) obtain (and during the performance thereof maintain), an insurance policy covering the foregoing contractual indemnity with a limit of not less than $10,000,000 naming Owner as an additional named insured, and (ii) provide to Owner a certificate evidencing such insurance_ Any damage to Owner's Property arising out of or with respect to Developer Work ("Developer Damage") which in Developer's reasonable judgment would cost (i) $40,000 or less to repair, shall be repaired, at the option of Developer, to be exercised within ten (10) days of notice from Owner advising of the Developer Damage (the "Developer Damage Notice"), or if Developer shall elect not to so repair, or shall fail to give such notice within such 10-day period, then by a contractor hired by Owner, and in either case, at Developer's sole cost and expense, such repair to be completed within ninety (90) days from the Developer Damage Notice, or (ii) in excess of $40,000 to repair, shall be repaired, at the option of Developer, to be exercised within ten (10) days of the Developer Damage Notice, or if Developer shall elect not to so repair, or shall fail to give such notice within such 10-day period, then by a contractor hired by Owner, and in either case, at Developer's sole cost and expense, such repair to be completed with all due diligence, it being understood and agreed that such damage may be covered by Developer's insurance policies and that Developer may not be permitted under such policies, to perform such work before the carrier shall have had the opportunity to perform any necessary investigations and settled such claims, provided, however, that Developer shall use reasonable efforts to cause such carrier to investigate and settle all such claims on an expedited basis. Notwithstanding any provision of this Agreement to the contrary, and without regard to the time periods set forth in the immediately preceding sentence or whether such claims are or would be covered by Developer's insurance, and without Developer's consent, Owner shall at all times have the right to repair any Developer Damage to Owner's Property and all reasonable costs and expenses incurred by Owner in furtherance thereof which, if in the aggregate, amount to (a) $40,000, or less, shall be paid to Owner by Developer within ten (10) days of demand therefor accompanied by invoices relating thereto, and (b) more than $40,000, shall be paid to Owner upon the earlier of (x) Developer's receipt of sufficient settlement funds, from claims made to Developer's insurance carriers in connection with such Developer Damage, it being understood and agreed that Developer shall use reasonable efforts to cause its carrier(s) to settle all such claims on an expedited basis, and (y) five hundred forty (540) days from demand therefor accompanied by invoices relating thereto.

C. Notwithstanding any comments or objections which Owner may make, or omit to make, with respect to the New Building or the Construction Easements Work, in no event shall Owner or any principal, employee or agent of Owner be liable for any delay suffered by Developer (other than due to Owner's failure to provide access to Developer in breach of the express provisions of this Agreement, for which no principal, employee or agent

of Owner shall in any event have any liability therefor), or for any work performed by or for the account of Developer.

Section 4.3. Developer shall not permit and shall use reasonable efforts to prevent, trades and other workers from using the roof of Owner's Building as a "staging area," for material storage, as a work platform, for recreational purposes, or for any other purposes. Upon one (1) week's prior initial notice, and thereafter, upon twenty-four (24) hour's notice, Owner shall provide access to the roof of Owner's Building, on weekdays, excluding holidays, during the hours of 7:00 am through 4:00 pm, so that Developer may install temporary construction protection to protect Owner's Building from damage, provided, however, that Owner shall provide immediate access to Developer in the event of an emergency. At no time shall Developer allow any materials to be brought upon the roof of Owner's Building through Owner's Building.

Section 4.4. Developer shall use reasonable efforts to cause all brickwork being performed on the east-facing fagade of the Lot 1 Building *and* directly over the parapet on Owner's Building, to be performed during the months of September through May, it being understood and acknowledged by Owner that Developer will be under a construction schedule, and that, as a result, it may not be possible for Developer to cause such brick work to be performed at those times. Developer shall further use its reasonable efforts to cause the masonry contractor to take such steps as are necessary to minimize falling mortar and other debris upon Owner's roof.

Section 4. . In connection with any scaffolding or sidewalk sheds which Developer may erect pursuant to or in compliance with applicable laws or in exercising prudent judgment to protect Owner's Property, Developer agrees to employ an appropriate level of security thereon to maintain compliance with such applicable laws or as otherwise reasonably determined by Developer to protect Owner's Property from access via Developer's scaffolding or sidewalk sheds. In no event shall Developer be permitted to erect or maintain storage sheds or otherwise store any materials, tools or equipment upon Owner's Property.

Section 4.6. In the event that any action by Developer, including, without limitation, any action in furtherance of the Easements or the Construction Easements Work, shall result in the placing of a violation upon Owner's Land, Developer shall, at Developer's cost and expense, be solely responsible for curing the same and shall promptly take all steps to cure such violations of record.

Section 4.7. The grant of the Easements hereunder is temporary only and shall remain in effect for only so long as is reasonably necessary to substantially complete the construction of the New Building and in no event shall the Easements extend beyond the issuance of a certificate of occupancy (temporary or permanent) covering the entire New Building, a copy of which certificate of occupancy, once obtained by Developer, shall be provided to Owner upon its request. No further instrument of termination shall be necessary to terminate the temporary Easements, provided, however, that, after the issuance of a certificate of occupancy (temporary or permanent) for the New Building, upon request of Owner, Developer shall promptly execute and deliver to Owner a written instrument of termination, in form and content reasonably satisfactory to Owner. In futherance thereof, Owner is hereby irrevocably appointed the attorney-in-fact of the Developer in its name and stead to execute such termination of easement and all ancillary documents necessary to record the

same, following issuance of a temporary or permanent certificate of occupancy covering the entirety of Developer's New Building on Lot 1. The powers herein granted are coupled with an interest and irrevocable. Notwithstanding the foregoing, prior to utilizing the power of attorney hereinabove granted to Owner, Owner shall first provide Developer with the termination documents that Owner proposes to execute, together with a copy of the newly issued temporary or permanent certificate of occupancy covering the entirety of Developer's New Building on Lot 1, and shall allow Developer the opportunity to execute the same. If, after the tenth (10th) day following Owner's delivery of the termination documents to Developer, Developer has not signed such documera, then Owner shall be authorized to sign same in the place and stead of Developer to the extent permitted by the foregoing power of attorney. Owner agrees to promptly provide copies of any such documents executed by Owner to Developer.

ARTICLE V ESTOPPEL CERTIFICATES

Section 5.1. Developer shall, upon at least twenty (20) days' prior written notice from Owner, at any time or times, furnish to Owner or Owner's designee a written statement, setting forth (i) whether this Agreement is in full force and effect; (ii) the extent to which this Agreement has been modified (irrespective of whether such modifications are of record); (iii) the extent to which Developer has served any written notice of default under this Agreement, which default remains uncured; and (iv) that the statement may be relied upon by said designee.

Section 52. Owner shall, upon at least twenty (20) days' prior written notice from Developer, at any time or times, furnish to Developer or Developer's designee a written statement, setting forth (i) whether this Agreement is in full force and effect; (ii) the extent to which this Agreement has been modified (irrespective of whether such modifications are of record); (iii) the extent to which Developer has served any written notice of default under this Agreement, which default remains uncured; and (iv) that the statement may be relied upon by said designee.

ARTICLE VI REAL ESTATE TAXES

Section 6.1. Owner and Developer agree that, for all purposes, including, without limitation, for real property tax purposes (but other than for the purpose of causing the Single Zoning Lot and the transfer and allocation of the Available Development Rights), Owner's Land and Developer's Land shall be, and shall contnue to be treated as, separate and independent lots, plots and parcels. Owner and Developer each expect that the assessed valuation of, and the taxes imposed against, Owner's Property and Developer's Property shall be determined on a basis which treats Owner's Property and Developer's Property as separate and independent tax lots and which incorporates within Developer's Property the Available Development Rights to which Developer is entitled under this Agreement. Accordingly, Owner and Developer each agree to cooperate with the other and to take such action as shall be necessary to insure that the appropriate taxing authority (i) continues to treat each Parcel as a separate and independent tax lot, and (ii) calculates the taxes due with respect to each Parcel in a manner *which (A)* incorporates the development and zoning rights to which Developer is entitled under this Agreement, as **well** as all of the buildings and other improvements from time to time constituting a part of Developer's Property, in the calculation

of taxes due with respect to Developer's Property, and (B) excludes the same from the calculation of taxes due with respect to Owner's Property. In the event that Owner's Property and Developer's Property are not classified as separate tax lots, each party agrees to execute such documents as may be required in support of the apportionment of such taxes in a manner which is consistent with the respective interests of the parties.

ARTICLE VII REPRESENTATIONS AND COVENANTS

Section .1. Owner, in compliance with Section 13 of the Lien Law, covenants that Owner shall receive the consideration for the conveyances under this Agreement and shall hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying
the cost of the improvement, and that Owner shall apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

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Section 7.2. Owner represents and covenants that (a) Owner holds title to and has the legal right to convey the Available` Development Rights and perform all of its obligations under this Agreement; (b) Owner has not previously transferred or assigned the Available Development Rights; and (c) Owner has obtained all consents, if any, required in connection with its execution of this Agreement and the performance of its obligations hereunder.

Section 7.3. Developer represents and covenants that (a) Developer has the legal right to perform all of its obligations under this Agreement; (b) Developer has obtained all consents, if any, required in connection with its execution of this Agreement and the performance of its obligations hereunder, and (c) the execution and delivery of this Agreement and the performance by Developer of its obligations under this Agreement have been duly authorized by all necessary corporate and fiduciary action.

ARTICLE VIII RETAINED OWNERSHIP

Section 8.1. The parties hereto acknowledge and agree that this Agreement and the Declaration are intended solely to create the Single Zoning Lot, to regulate the rights and obligations of the parties hereto and to impose the easements and restrictions upon Owner's Land and Developer's Land specifically set forth herein, and except as set forth herein, each party hereto retains full ownership and control over its Parcel. Developer and Owner ***further*** acknowledge and agree, that, except as otherwise expressly provided in this Agreement, nothing contained herein grants to the other party the right or easement: of physical access upon or over its premises; including, without limitation, its respective Parcel. Developer and Owner further covenant that no portion of any building or other structure hereafter erected on their respective premises shall encroach upon the premises of the other party in any way at any time. If any encroachment shall occur, it shall be removed by the party who erected it at such party's sole cost and expense upon written request of the other party, and if a party fails to commence such removal within a reasonable period of time after receipt of such request, the

other party shall have all legal and equitable remedies available with respect to such failure as described in Section 9.2 hereof

Section 8.2. Notwithstanding anything to the contrary set forth in this Agreement and except as provided in Article IV hereof, the Available Development Rights shall not include (i) any right to erect any structure on, under, across or over Owner's Land or any portion thereof or the improvements thereon or any portion thereof, (ii) any right to erect any structure on Developer's Land ***which*** encroaches upon Owner's Land or any portion thereof or the improvements thereon or any portion thereof, (iii) any right to alter or enlarge any structure on Developer's Land in a manner which encroaches upon Owner's Land or any portion thereof or the improvements thereon or any portion thereof, (iv) any right to use any portion of the improvements on Owner's Land for "party wall" purposes; (v) any right of ingress and egress through, under, across or over Owner's Land or any portion thereof, or (vi) any right of use, by easement or otherwise, with respect to Owner's Land or any portion thereof or to the improvements thereon or any portion thereof.

ARTICLE IX NATURE OF AGREEMENT

Section 9.1. The parties hereto acknowledge and agree that in the event of any breach or threatened breach of this Agreement by any party, the nondefaulting party shall have the right to any remedy available at law or equity, including, but not limited to, injunctive relief, provided however, neither party shall have the right to terminate this Agreement or the Declaration without the written consent of the other party.

Section 9.2. Notwithstanding anything to the contrary contained herein, the parties hereto shall look only to the other party's then estate in Owner's Property (or the proceeds thereof) or Developer's Property (or the proceeds thereof), as the case may be, for the satisfaction of their respective remedies for the collection of a judgment (or other judicial process) requiring the payment of money by the other party in the event of any default by the other party hereunder, and no other property or assets of the other party or its principals, disclosed or undisclosed, shall be subject to levy, execution or other enforcement procedure for the satisfaction of the first party's remedies hereunder. However, notwithstanding the foregoing provisions of this section, Owner and Developer each reserve the right to the remedies of specific performance and injunction.

ARTICLE X MISCELLANEOUS

Section 10.1. This Agreement cannot be changed or terminated by oral agreement, but only by written agreement signed by the party against whom any such change or termination is asserted.

Section 10.2. All of the grants, interests, covenants, agreements and conditions contained in this Agreement shall (a) run with the lands, buildings and improvements affected thereby; (b) subject to the provisions of this Agreement, inure to the benefit of and be binding upon each

party to this Agreement and such party's successors and assigns (but said grants, interests, covenants, agreements and conditions are not intended to benefit any third party); and (c) to the extent Owner or Developer shall assign its respective rights to the holder of any present or future mortgages encumbering any of the properties affected by this Agreement or any interest therein, be enforceable by any such assignee after default under any such mortgage.

Section 10.3. The Article headings herein are inserted for convenience only and shall not affect the construction of this Agreement.

Section 10.4. Any notice, demand, consent, approval, direction, agreement or other communication (any "Notice") required or permitted hereunder shall be in writing and shall be directed as follows:

If to Owner:	437 West 16th Street LLC 437 West 16th Street New York, New York 10011 Attention: Carol Kleinberg
with a copy to:	Davidoff Malito & Hutcher LLP 605 Third Avenue - 34th Floor New York, New York 10158 Attention: Howard S. Weiss, Esq.
If to Developer:	17th and 10th Associates LLC 60 Columbus Circle New York, New York 10023 Attention: Gregory Gushee
with a copy to:	Taconic Investment Partners 111 Eighth Ave, Suite 1500 New York, New York 10011 Attention: Charles Bendit
with an additional copy to:	Wachtel & Masyr, LLP 110 East 59th Street New York, New York 10022 Attention: Jesse Masyr, Esq.

or to such changed address or facsimile number as a party hereto shall designate to the other parties hereto from time to time in writing. Notices shall be (i) personally delivered (including delivery by Federal Express or other comparable nationwide overnight courier service) to the offices set forth above, in which case they shall be deemed delivered on the date of delivery or first business day thereafter if delivered other than on a business day or after 5:00 p.m. New York City time) to said offices; or (ii) sent by certified mail, return receipt requested, in which case they shall be deemed delivered on the date shown on the receipt unless delivery is refused or delayed by the addressee in which event they shall be deemed delivered on the date of deposit in the U.S. Mail. An attorney for a party may give a Notice on behalf of such party.

Section 10.5. Owner, by executing this Agreement, shall not be deemed to have waived any of its rights, and Developer shall not be relieved of any of its obligations, under Section 27-860 of the Administrative Code of the City of New York or any other Governmental Requirement which shall impose any duty or obligation on Developer with respect to Owner's Land as a result of Developer's construction of a building upon Developer's Land.

Section 10.6. This Agreement may be signed in one or more counterpart signature pages, each of which shall be deemed an original, and all of which, when taken as a whole, shall constitute a single original agreement with the same force and effect as if all such original signatures appeared on the same page.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written_

OWNER:

437 WEST 16TH STREET LLC,

a New York limited liability company

By:

Name: Carol Kleinberg

Title: Sole Member/Operating Manager

DEVELOPER:

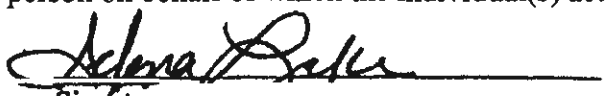
17TH AND 10TH ASSOCIATESILC, a Delaware limited liability company

Charles Bendit, Auth rized Signatory

[NOTARY PAGE IIVIIVIEDIATELY FOLLOWS]

STATE OF NEW/YORK)
)ss.:
COUNTY OF NEW YORK)

On the ____ day of September in the year 2005 before me, the undersigned, personally appeared Carol Kleinberg, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.



Signatur
taking ac
ture and Offike of individual g ackno

STATE OF NEW YORK)
) ss..
COUNTY OF NEW YORK)

On the ___ day o f September in the year 2005 before me, the undersigned, personally appeared Charles Bandit, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

Signature and Office of individual taking acknowledgement

EXHIBIT A-1

Owner's Land

Title No. 824038

SCHEDULE A 2 L DA

THE BENEFITS OF a covenant not to build upon and an easement of light and air over premises herein described on Schedule A as described in zoning Lot and Development Agreement between 437 West 16th Street LLC and 17th and 10th Associates, LLC to be recorded and also described as follows:

BEGINNING at a point on the northerly side of 16th Street distant 448 feet 10 inches westerly from the corner formed by the intersection of the westerly side of Ninth Avenue with the northerly side of 16th Street;

RUNNING THENCE northerly parallel with Ninth Avenue, 92 feet to the center line of the block;

THENCE westerly along the center line of the block, 51 feet 2 inches;

THENCE southerly again parallel with Ninth Avenue 92 feet to the northerly side of 16th Street;

THENCE easterly along the northerly side of 16th Street, 51 feet 2 inches to the point or place of BEGINNING.

For **Information Only:** Said premises are known as 437 West 16th Street, New York, New York and designated as Block 714 Lot 14 on the Tax Map of the City of New York, County of New York.

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

EXHIBIT A-2

Developer's Land

Exhibit A-2 2 LNA

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 16'° Street, distant 374 feet westerly from the corner formed by the intersection of the northerly side of 16° Street with the westerly side of Mach Avenue;

RUNNING THENCE northerly paralief with Ninth Avenue, 92 feet to the center line of the block;

RUNNING THENCE westerly along the center line of the block, 74 feet 10 inches;

RUNNING THENCE southerly again parallel with Ninth Avenue, 92 feet to the northerly side of 16°1 Street;

RUNNING THENCE easterly along the northerly side of 16' Street, 74 feet 10 inches to the point or place of BEGINNING.

Policy Number: PROFORMA

Title Number: 822167 (L 459661)

DESCRIPTION SHEET

ALL THAT CERTAIN Plot piece or parcel of land. with the buildings and improvements thereon expected, situate, lying and being in the Boroagb of Manhattan, City, County and State of New York. bounded and described as follows:

BEGINNING at a point on the easterly side of 10th Avenue, at a point distant 23 feet, 3 inches southerly iron the corner formed by the intersection of the southerly side of West 17th Street and the easterly side of 10th Avenue;

BEGINNING THENCE easterly parallel with West 17th Street 100 feet to a point;

THENCE northerly parallel with 10th Avenue, 23, feet 3 inches to the southerly side of West 17th Street;

THENCE easterly along the southerly side of West 17th Street, 200 feet;

THENCE southerly parallel with 10th Avenue, 184 feet to the northerly side of West 16th Street:;

THENCE westerly along the northerly side of West 10th Street, 160 feet 9 inches to the point or p lace of BEGINNING.

EXHIBIT C
Declaration

DECLARATION OF ZONING LOT RESTRICTIONS

437 WEST 16TH STREET LLC, a New York limited liability company, having an address at 437 West 16[s] Street, New York, New York 10011, Attention: Carol Kleinberg ("Grantor"), and 17TH AND 10TH ASSOCIATES LLC, a Delaware limited liability company, having an office at c% The Related Companies, 60 Columbus Circle, New York, New York 10023 ("Developer"), constituting the "parties in interest" (excepting those parties waiving their respective rights to join therein) as defined in Section 12-10(d) of the Zoning Resolution of the City of New York, effective December 15, 1961, as amended, with respect to land **known** as Tax Lots 1, 14 and 16 in Block 714 on the Tax Map of the City, County and State of New York, do hereby declare that the tract of land known as and by the street addresses 108 10`[x] Avenue, 431-435 West 16th Street, 437 West 16' Street, 445 West 16[d] Street and 440-452 West 17th Street, New York, New York is to be treated as one zoning lot for the purpose of and in accordance with the provisions of the aforementioned Zoning Resolution effective December 15, 1961, as amended.

The said parcels of land are respectively described on Exhibit annexed hereto, and comprise tax lots which are contiguous for more than ten (10) linear feet with tax lots respectively adjacent thereto. The said tax lots are located within a single block.

Reference is made to the Zoning Lot Development Agreement, made as of 200^, by Grantor and Developer and intended to be recorded in the office of the City Register in the County of New York, prior to the recording of this instrument, which agreement sets forth the rights and obligations of the parties thereto regarding the combined zoning lot.

No breach by any party to this Declaration or any agreement ancillary hereto shall have any effect on the treatment of said parcels as one combined zoning lot, and such parcels shall be treated as one combined zoning lot unless and until such zoning lot is

hereafter subdivided in accordance with the provisions of the aforementioned Zoning Resolution.

This Declaration shall be recorded in the aforementioned office of the City Register in accordance with Section 12-10 of the aforementioned Zoning Resolution, constitutes a covenant running with the land and inuring to the benefit of and binding on the heirs, successors, and assigns of the Declarants herein, and may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

1N WITNESS WHEREOF, THE Declarants have executed this instrument as of the ___ day of_____200___.

GRANTOR:

437 WEST 16TH STREET LLC

By:

Name: Carol Kleinberg
Title: Sole Member/Opemting Manager

DEVELOPER:

17" AND 10TH ASSOCIATES LLC

By:

Charles Bendit, Authorized Signatory

STATE OF NEW YORK)
)SS.:
COUNTY OF NEW YORK)

On the ____day of September, in the year 2005, before me, the undersigned, personally appeared Carol Kleinberg, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/shelthey executed the same in his/her/their capacity(ies), and that by his/her/their signatures) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

Notary Public

SELENA LUKE
Notary Public State of New York
No. 01LU6104964
Qualified in New York County

STATE OF NEW YORK)
)SS.:
COUNTY OF NEW YORK)

On the .23 day of September, in the year 2005, before me, the undersigned, personally appeared Charles Bendit, personally known to me or proved to me on the basis of satisfactory evidence to be, the individual(s) whose name(s) is (are) subscribed to the within instrument and' acknowledged to me that he/shehhey executed the same in him/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

Title No. **824038**

SCHEDULE A

(Exhibit C of Contract)

THE BENEFITS OF a covenant not to build upon and an easement of light and air over premises herein described on Schedule A as described in Zoning Lot and Development Agreement between 437 West 16th Street LLC and 17th and 10th Associates, LLC to be recorded and also described as follows:

BEGINNING at a point on the northerly side of 16th Street distant 448 feet 10 inches westerly from the corner formed by the intersection of the westerly side of Ninth Avenue with the northerly side of 16th Street;

RUNNING THENCE northerly parallel with Ninth Avenue, 92 feet to the center line of the block;

THENCE westerly along the center line of the block, 51 feet 2 inches;

THENCE southerly again parallel with Ninth Avenue 92 feet to the northerly side of 16th Street;

THENCE easterly along the northerly side of 16th Street, 51 feet 2 inches to the point or place of BEGINNING.

For Information Only: Said premises are known as 437 West 16th Street, New York, New York and designated as Block 714 Lot 14 on the Tax Map of the City of New York, County of New York.

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

EXHIBIT "21"

RESTRICTIVE DECLARATION

RESTRICTIVE DECLARATION
HIGH LINE IMPROVEMENT BONUS

DECLARATION made this ___ day of January 2006 (the "Declaration") by 17th & 10th Associates, LLC, a New York State limited liability company having an address at c/o The Related Companies, 60 Columbus Circle, 19th Floor, New York, NY 10023 ("Declarant").

WITNESSETH

WHEREAS, Declarant is the fee owner of certain real property located in the Borough of Manhattan, City and State of New York, designated for real property tax purposes as Block 714 Lot 1, located at 450 West 17th Street; and

WHEREAS, pursuant to a Zoning Lot Development Agreement dated January 3, 2006 and recorded at _____ in the office of the City Register, Lot 1 is part of a single zoning lot, as defined in paragraph (f) (4) of the definition of zoning lot under Section 12-10 of the Zoning Resolution of the City of New York (the "Zoning Resolution"), that includes tax lots 1, 14, and 16 in Block 714, (collectively, the "Property"), as more particularly described in **Exhibit A** annexed hereto and made a part hereof ; and

WHEREAS, Royal Abstract of New York, LLC (the "Title Company") has certified that all parties-in-interest to the zoning lot (the "Parties-in-Interest"), as defined in paragraph (f) (4) of the definition of zoning lot under Section 12-10, are those listed in a certification attached hereto as **Exhibit B** and made a part hereof.

WHEREAS, all Parties-in-Interest have either executed this Declaration or executed an instrument waiving their respective rights to execute this Declaration and subjecting and subordinating all rights in connection therewith relating to the Property to this Declaration, a copy of which waiver and subordination agreements are attached hereto as **Exhibit C**; and

WHEREAS, the Property is encumbered by a railroad viaduct known as the High Line (the "High Line"), which the City intends to develop for use as "Public Space" (defined below); and

WHEREAS, the Property is located within Subarea "I" of the Special West Chelsea District, established under Section 98-04 of the Zoning Resolution, and pursuant to Section 98-25 is eligible for an increase in the maximum basic floor area ratio on the zoning lot, provided that all applicable requirements of Sections 98-25, 98-60 and 98-63 of the Zoning Resolution are satisfied with respect thereto; and

WHEREAS, pursuant to Section 98-25 of the Zoning Resolution, Declarant proposes to increase the maximum basic floor area ratio on the Property; and

WHEREAS, Section 98-25(a) of the Zoning Resolution provides that, as a condition to the increase in maximum basic floor area ratio on the Property, and in order to assure that the City's interest in the restoration and reuse of the High Line as an accessible public open space is protected, a declaration of restrictions, executed by all Parties-in-Interest of the zoning lot, and

including and incorporating such other instruments as are necessary to accomplish such purposes, as determined by the New York City Department of City Planning in consultation with the Office of the Corporation Counsel, shall be filed and recorded in the Office of the Register of the City of New York; and

WHEREAS; as a further condition under Section 98-25(a) of the Zoning Resolution, easements must be executed by all parties-in-interest, providing public access to and from a stairway and elevator on the zoning lot and for maintenance and repair by the City of such stairway and elevator, and for access to and from, public use, and maintenance and repair of the High Service Facilities on the Property (the "High Line Access Easements", attached hereto as **Exhibit D**).

WHEREAS, pursuant to Section 98-25(a)(1) of the Zoning Resolution, a contribution must be deposited into the High Line Improvement Fund, or such contribution must be secured by a letter of credit or other cash equivalent instrument in a form acceptable to the City, as a precondition to issuance by the Commissioner of Buildings of any building permit, including any foundation or alteration permit, for any development or enlargement on the Property; and

WHEREAS, pursuant to Section 98-25(a)(2) of the Zoning Resolution, notice by the Department of City Planning of the receipt of certified copies of this Declaration, as recorded in the Office of the Register of the City of New York, is a precondition to issuance by the Commissioner of Buildings of any building permit, including any foundation or alteration permit, for any development or enlargement on the Property; and

WHEREAS, Declarant desires that this Declaration be valid, binding and effective for as long as the "High Line," as defined in Section 98-01 of the Zoning Resolution, is used or intended to be used for linear public space, public trail use or other public recreational purposes, as general municipal property, and not for any rail service ("Public Space") (and is not used in a manner inconsistent therewith), and Declarant intends such restrictions to benefit all land owners and tenants, including the City of New York (the "City"), owning or leasing property within one-half mile of the Property.

NOW THEREFORE, Declarant does hereby declare and agree that the Property shall be held, sold, transferred, conveyed, used and occupied subject to the following restrictions, easements, covenants and obligations set forth or referenced in this Declaration which are for the purpose of complying with Section 98-25(a) of the Zoning Resolution and which shall run with the land, binding the successors and assigns of Declarant so long as they have any right, title or interest in the Property or any part thereof, and that this Declaration shall be effective for as long as the High Line is used or intended to be used for Public Space (and is not used in a manner inconsistent therewith), all on the following terms and conditions:

1. Declarant covenants and agrees that any requirement or condition contained herein or in any other agreement between Declarant and the City (which may include other parties) relating to the High Line or in any Certificate of Interim Trail Use ("CITU") issued by the federal Surface Transportation Board (including any successor-in-function, the "STB") in connection with the High Line or any "Trail Use Agreement" ("TUA") entered into by the City pursuant to

any such CITU that the High Line be used or be intended to be used for Public Space (and not used in a manner inconsistent therewith) shall not be construed to require or create any condition requiring that any portion of the High Line over or adjacent to the rail yards north of 30`h Street (the "Hudson Yards High Line Segment") be improved, developed, operated, used or maintained for Public Space purposes.

2. Declarant covenants and agrees that the surrender or other termination of any CITU issued by the STB and any TUA to which the City is a party in connection therewith and the issuance of an order of abandonment or other order to similar effect by the STB shall not in any way impair, diminish, void, invalidate, extinguish, terminate or otherwise affect this Declaration for as long as the High Line is being used or is intended to be used for Public Space (and is not used in a manner inconsistent therewith).

3. Declarant does hereby further: (a) convey unto the City an exclusive, perpetual right-of-way, servitude and easement across a portion of the Property designated by Declarant which shall immediately vest in the City and pursuant to which the City shall have access to the High Line as may be reasonably necessary to develop, reconstruct, replace, improve, operate, maintain, repair and use the High Line as Public Space, and not for any purpose inconsistent therewith, in accordance with this Declaration and, to the extent either of same may be in effect, the CITU and the TUA, within the limits of the easements granted for the High Line railway viaduct and, with respect to sidetracks and spurs, within the volume of space in which same presently exist, including without limitation columns, footings and other structural supports; (b) covenant that the easement(s) on the Property upon and within which the High Line is built formerly held by CSX Transportation Inc.'s predecessors-in-title (the "Property Specific Easement") is hereby modified to permit the High Line to be acquired, developed, reconstructed, replaced, improved, operated, maintained, repaired and used for Public Space, and not for any purpose inconsistent therewith, and in furtherance thereof consents to the development, reconstruction, replacement, improvement, maintenance, repair, operation and use of the High Line for Public Space, and not for any purpose inconsistent therewith, in accordance with this Declaration and, to the extent either of same may be in effect, the CITU and the TUA, (c) convey, transfer, waive, release, abandon, terminate and quitclaim unto the City any and all rights, title and interest of Declarant in and to each and every sidetrack and spur appurtenant to the High Line elevated railway viaduct, and each and every trackage agreement, side track or spur track agreement, switching agreement, railway track maintenance agreement, or spur or sidetrack deed reservation, including without limitation any license agreement for any sidetrack or spur located over the City public streets, and any other agreement, license, easement, reservation or like real property interest intended to effect interconnection of the Property and/or a spur and/or sidetrack with any other servient property encumbered by the High Line and/or a spur track and/or sidetrack anywhere along the length of the High Line elevated railway viaduct route, including without limitation the segment located within the volume of space granted under the

Property Specific Easement; and (d) with respect to each and every sidetrack and spur appurtenant to the High Line elevated railway viaduct located on the Property, convey unto the City an exclusive, perpetual right-of-way, servitude and easement across a portion of the Property designated by Declarant which shall immediately vest in the City and pursuant to which the City shall have access to each and every such sidetrack and spur as may be reasonably necessary to develop, reconstruct, replace, improve, operate, maintain, repair and use such sidetracks and spurs as an element of the Public Space (the "Spur/Sidetrack Access Easement"). The grant set forth herein is exclusively for conservation purposes, including (among other conservation purposes consistent with those set forth in IRC Section 170(h)(4)) the preservation of open space for the scenic enjoyment of the general public pursuant to government policy, and it is expected to yield a significant public benefit.

4. The City's access to the High Line pursuant to the High Line Access Easement and any Spur/Sidetrack Access Easement established under paragraph 3 of this Declaration is subject to the conditions set forth in the Property Specific Easement and Quitclaim Consent and Easement (the "Quitclaim") executed by Declarant and the City as of November 4, 2005, attached hereto as **Exhibit E**.

5. Declarant hereby covenants that if Declarant shall ever seek and obtain restoration of rail service on or over the High Line or any segment thereof (hereinafter, whatever the length or location, the "Restored Service Segment") or shall ever obtain regulatory clearances, permissions, or authorizations to do so, Declarant shall reimburse the City for the unamortized costs of the permanent improvements made to the High Line, whether funded with City funds or otherwise, for the Restored Service Segment of the High Line in question which is to be restored to rail service, including without limitation from the southernmost point of such Restored Service Segment and all parts of the High Line north of such point (amortized on a straight line basis over the longest period of probable usefulness applicable to any such permanent improvements under the New York State Local Finance Law), and shall pay the full and complete amounts of any awards for any condemnation or acquisition of property necessitated by or reasonably required as a result of such restoration of rail service in order to maintain the use as Public Space of those parts of the High Line other than the Restored Service Segment.

6. Declarant covenants that it: (a) will not, from the date hereof, file any action in any court of law against the City or the State of New York or any instrumentality of either, or against their respective officers, directors, employees, agents or representatives, that arises out of or is in any way connected to any of the following (collectively, the "Released Claims"): (i) the railbanking of the High Line (or the conversion, maintenance and/or operation of the High Line for Public Space purposes through such mechanism as the City and CSX Transportation, Inc. or its successor in interest may adopt), the failure to abandon or demolish all or any portion of the High Line (and the incurring of any past, present, or future costs, expenses or damages in connection therewith) or the

demolition of all or any portion of the "Hudson Yards High Line Segment", including the relocation or reconstruction of, an alternate railway viaduct route for, or a failure to relocate or reconstruct, all or any portion of the Hudson Yards High Line Segment, in each case under this clause (i), as long as the High Line is intended to be used or is being used for Public Space (and is not being used in a manner inconsistent with Public Space); (ii) the issuance, existence and/or revocation or surrender of the High Line CITU, and/or support and/or cooperation by the City or the State of New York or any instrumentality of either with respect to any application for the issuance of an order of abandonment before the STB or its successor-in-function initiated by the City or any successor holder of the Property Specific Easements, as long as the High Line is intended to be used or is being used for Public Space (and is not being used in a manner inconsistent with Public Space); and (iii) the City or the State of New York or any instrumentality of either (w) accepting the title to the High Line (including without limitation the Property Specific Easement) (the "Contribution") (and Declarant hereby consents to the City's or the State of New York's or any instrumentalities of either accepting the Contribution for Public Space with no intent to dedicate as parkland), or (x) taking possession and control of the High Line, or (y) expending or receiving any public or private funds in connection with the High Line, or (z) any mapping of the High Line for Public Space, nor shall Declarant make demand upon the City for the satisfaction of any liability, debt, damages, controversy, trespass, judgment, execution, demand or claim of any nature whatsoever, whether in law or in equity, whether known or unknown, that arises out of or is any way connected to any Released Claim; (b) releases and discharges the City and the State of New York and their respective instrumentalities from any claims, damages, or other liabilities relating to any Released Claim; (c) waives any and all present or future claims against the City and the State of New York and their respective instrumentalities relating to any Released Claim; and (d) with respect to Released Claims, waives and renounces rights or claims, if any, against the City and the State of New York and their respective instrumentalities, predecessors in title as titleholder to the High Line (including without limitation, the portion thereof subject to the Property Specific Easements, and/or arising under the Property Specific Easements, to arbitrate disputes or otherwise make claims against the City, and/or its predecessors-in-title, for any alleged breach or non-performance of obligations of the City or the State of New York or any instrumentality of either under such agreements or any of them arising prior to the date the City or the State of New York or any instrumentality of either receives the Property Specific Easement, including but not limited to any obligation existing prior to that date to repair or restore the Property and/or adjoining public streets and ways.

7. Declarant acknowledges and agrees that: (i) the provisions of this Declaration are intended to supplement, and not replace, the terms, covenants and conditions of (a) the Property Specific Easement, (b) that certain, Waiver and Covenant Not to Sue Agreement from Declarant, dated November 4, 2005, and attached hereto as **Exhibit F**, (c) the Quitclaim, and (d) any other easements, covenants, rights of access or other rights to the Property the City has pursuant to

any grant, easement or other conveyance by Declarant or its predecessors-in-interest in connection with the Property, including, without limitation, all rights of the City of renewal, replacement, construction, inspection, maintenance, operation, repair, use, access, attachments, "Supporting Structures" (as defined in the Property Specific Easement), drainage, utilities, review and approval of or consents to plans and specifications for improvements to, and limitations on and requirements imposed on improvements to, the Property, and payment of costs relating thereto, subject to the indemnification and insurance provisions set forth in the Quitclaim. Such terms, covenants and conditions of the Property Specific Easement shall be deemed to include and apply to all sidetracks and spurs appurtenant to the High Line elevated railway viaduct, including without limitation all columns, footings and other supporting structures;; (ii) the purposes for which the Property Specific Easement was granted shall be deemed to include Public Space purposes as if originally set forth in such Property Specific Easement; (iii) the "Chief Engineer of the Railroad Company" as referred to in the Property Specific Easement shall be deemed to mean a structural architect or engineer designated by the City; and (iv) the provisions of this Declaration protect the value and desirability of the Property, and are necessary for the protection of all the land, including land owned by the City of New York, within one-half mile radius of the Property.

8. Declarant further certifies, represents and warrants that it has not, nor has it any knowledge that any predecessor in title or party-in-interest or predecessor-in-interest thereto has, received any condemnation award or similar award (including without limitation any inverse condemnation award) in connection with the use of the High Line for Public Space with respect to the Property.

9. Declarant hereby forever and irrevocably releases and waives and covenants not to seek any condemnation or similar award in connection with the use of the High Line for Public Space from the City, the State of New York, any public instrumentality of either, or the United States of America. If any condemnation award or similar award (including without limitation any inverse condemnation award) (each, an "Award") has been received by Declarant, any party-in-interest or any predecessor-in-interest to any of the foregoing in connection with the use of the High Line for Public Space with respect to the Property, then no increase in basic maximum floor area for the Property pursuant to Section 98-25(a) of the Zoning Resolution shall be permitted, provided, that in the event a building permit other than an excavation permit has been issued with respect to a building on a qualified zoning lot which incorporates additional floor area pursuant to Section 98-25(a), then such permit shall not be revoked, or otherwise nullified.

10. Declarant represents and warrants with respect to the Property that there are no restrictions of record on the use of the High Line for Public Space, nor any present or presently existing estate or interest in the High Line with respect to the Property, nor any lien, obligation, covenant, easement, limitation, or encumbrance of any kind that precludes, presently or potentially, the imposition of this

Declaration's restrictions, covenants or obligations or the use of the High Line for Public Space with respect to the Property.

11. Declarant shall secure by letter of credit a contribution of $50.00 per square foot of floor area which exceeds the basic maximum amount of floor area of the zoning lot, up to the amount specified in Section 4$-22 of the Zoning Resolution. Upon the request of the City of New York, Declarant shall deposit such contribution into the High Line Improvement Fund within one month after receiving notice of such request.

12. Declarant shall file and record this Declaration in the Office of the Register of the City of New York, New York County, indexing it against the Property. Declarant shall, promptly following recordation of this Declaration, deliver to the Department of City Planning one (1) original copy of this Declaration as recorded and certified by the Office of the Register, together with two (2) copies thereof. If Declarant fails to so record and/or deliver this Declaration, the City of New York may record and /or request certified copies of the recorded Declaration at the sole cost and expense of the Declarant, who shall immediately pay such costs to the City of New York, together with the fees for purchase of a reasonable number of certified copies of the recorded Declaration.

13. Declarant covenants to cause any individual, business organization or other entity which becomes a party-in-interest in the Property between the date hereof and the date this Declaration is submitted for recording, to subject and subordinate its interest in such portion of the Property to this Declaration. Any mortgage or other lien or encumbrance imposed upon the Property after the date this Declaration is submitted for recording shall be subject to and subordinate to the terms of this Declaration.

14. This Declaration may be amended, further modified or cancelled only upon application to and written consent and approval by the Chairperson of the City Planning Commission or of an agency succeeding to its jurisdiction. Any modification, amendment or cancellation of this Declaration shall be executed and filed in the same manner as this Declaration. Following approval of a modification, amendment or cancellation, the Declarant shall immediately file and record same, and provide the Department of City Planning with copies. The City shall have the same rights with respect to recordation of any modification, amendment or cancellation of this Declaration as it has under Paragraph 11 hereof with respect to the Declaration.

15. Declarant acknowledges that the City is an interested party to this Declaration and consents to the enforcement by the City, administratively or at law or at equity, of the covenants, conditions, and restrictions contained herein. No person or entity other than the City of New York or any instrumentality thereof shall be entitled to enforce this Declaration. If Declarant is found by a court of competent jurisdiction to have violated any of the provisions of this Declaration, and the finding is upheld on final appeal or the time to file any and

all appeals has lapsed, Declarant shall indemnify and hold the City harmless from and against all of its reasonable fees and administrative expenses, including attorneys' fees, arising out of or in connection with the City's enforcement of Declarant's obligations under this Declaration.

16. The provisions of this Declaration shall run with the land and shall inure to the benefit of and be binding upon the respective heirs, successors, legal representatives and assigns of Declarant, and references to Declarant shall be deemed to include such heirs, successors, legal representatives and assigns as well as the successors to their interests in the Property. Whenever in this Declaration there is granted any right of access to the City for any purpose, such right shall extend to any instrumentality of the City and any contractor and consultant and any subcontractor of any of same and any agent or employee of the City. Reference in this Declaration to agencies or instrumentalities of the City shall be deemed to include without limitation agencies or instrumentalities succeeding to the jurisdiction thereof pursuant to the laws of the State of New York and the New York City Charter.

17. Notwithstanding anything to the contrary contained in this Declaration;

(a) the restrictions, covenants, obligations and agreements contained herein shall be binding on the Declarant or any other individual, business, organization or other entity, as the case may be, only for the period during which the Declarant or any such party-in-interest holds an interest in the Property and subject to the further provisions of this Section 16;

(b) The City shall look first solely to the interest of the Declarant in the Property for the collection of any judgment recovered against the Declarant or the enforcement of any remedy based upon any breach by the Declarant under this Declaration, and no other property of the Declarant or its principals, disclosed or undisclosed, partners, shareholders, directors, officers, members or employees shall be subject to levy, execution or other enforcement procedure for the satisfaction of the remedies of the City under or with respect to this Declaration, and no such party shall have any personal liability under this Declaration; and

(c) The City shall look solely to the interest of any party-in-interest in the Property for the collection of any deficiency not collected from Declarant or any judgment recovered against Declarant or the enforcement of any remedy based upon any breach by the Declarant under this Declaration, but only after the City has exhausted all legal and equitable remedies against Declarant. No other property of any party-in-interest or its principals, disclosed or undisclosed, partners, shareholders, directors, officers, members or employees shall be subject to levy, execution or other enforcement procedure for the satisfaction of the remedies of the City under or with respect to this Declaration and any party-in-interest,

disclosed or undisclosed, shall have no personal liability under this Declaration.

18. (a) If under the New York State Not-For-Profit Corporation Law, or as an unincorporated association, a home-owners association or condominium or, pursuant to the New York State Business Corporation Law, a cooperative corporation is formed with respect to the Property (any of the foregoing entities individually or in any combination, an "Association'), the Association shall take the Property subject to this Declaration, and the by-laws and charter or certificate of incorporation of the Association shall be consistent with the terms of this Declaration and shall not allow amendments or changes to this Declaration except in accordance with the terms and conditions contained herein. If an association is established, a summary of the terms of this Declaration shall be included in any offering plan issued in connection with sale of any units or in any documents submitted to the Office of the Attorney General for a "no action" letter. Such offering plan or no-action letter submission, as the case may be, shall clearly identify the rights and obligations of any Association that may be formed. The Association shall be organized with all of the powers which may be necessary and proper for the Association to carry out the duties, obligations and requirements of this Declaration. The Association shall be deemed a successor or assign of the Declarant pursuant to this Declaration, notwithstanding inter alia any subdivision of the tax lot burdened by this Declaration as of the date hereof.

19. All waivers, elections, demands and notices or other communications relating to this Declaration shall be effective only if in writing and (a) mailed to the party for which it is intended by certified or registered mail, return receipt requested, postage prepaid, (b) personally delivered with receipt for delivery, or (c) sent by reputable overnight courier with receipt for delivery requested, and, in each case, addressed as follows, or to such other address as the parties hereto may from time to time designate by notice given as aforesaid:

If to Declarant:

17 & 10th Associates
c/o The Related Companies
60 Columbus Circle, 19th Floor
New York, NY 10023

With a copy to:

Bernard Michael, Esq.
Michael, Levitt, Goldberger & Rubenstein, LLP
60 Columbus Circle, 20th Floor
New York, New York 10023

And to:

Jesse Masyr, Esq.
Wachtel & Masyr, LLP
110 East 59th Street, 27th Floor
New York, NY 10019

If to the City:

to Department of City Planning

The New York Department of City Planning
22 Reade Street
New York, New York 10007
Attention: Director

All notices shall be deemed given (i) three days after mailing, in the case of certified or registered mail; (ii) the date of delivery, in the case of personal delivery, and (iii) one business day after delivery to the overnight delivery service for further delivery, if sent by overnight courier.

20. This Declaration shall be governed by and construed in accordance with the laws of the State of New York.

21. In the event that any provision of this Declaration shall be deemed, decreed, adjudged or determined to be invalid or unlawful by a court of competent jurisdiction after all appeals are exhausted or the time for appeals has expired, such provision shall be severable, and the remainder of this Declaration shall continue to be in full force and effect.

22. Notwithstanding anything to the contrary contained in this Declaration, nothing in this Declaration shall release the City from any liability for negligence resulting from the exercise by the City or any of its agencies or their respective officials, officers, directors, employees, agents or representatives of the rights granted to the City herein, including the operation and maintenance of the High Line.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the day and year first above written.

By:_____

Name:

Title:

ACKNOWLEDGMENT

State of New York)
) ss.:
County of New York)

On the ____ day of _____ in the year 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 individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
(Notary Public)

Exhibits to Restrictive Declaration for High Line Improvement Bonus

Exhibit A..... Metes & Bounds Description of Premises

Exhibit B..... Certification of Parties in Interest

Exhibit C..... Waiver and Subordination Agreements

Exhibit D..... Highline Access Easement Volume Agreement and Drawings

Exhibit E..... Property Specific Easement and Quitclaim Consent and Easement

Exhibit F..... Release, Waiver and Covenant Not to Sue Agreement

HIGHLINE ACCESS EASEMENT VOLUME AGREEMENT

THIS AGREEMENT (the "Agreement") made as of the __ day of _____, 2006, by and between 17th R: 10th Associates, LLC ("Owner"), a New York limited liability company, having an office c/o The Related Companies, 60 Columbus Circle, 19th Floor, New York, New York 10023; and THE CITY OF NEW YORK (the "City"), a New York municipal corporation having its offices at City Hall, New York, New York.

WITNESSETH:

WHEREAS:

A. Owner is the owner of certain property known as 450 West 17th Street, in the Borough of Manhattan, City, County and State of New York, also known as Block 714, Lot 1 on the tax map of the City of New York (the "Tax Map").

B. Owner has executed Restrictive Declaration (the "Declaration"), dated the __ day _____, 2006, for the purpose of complying for Section 98-25 of the Zoning Resolution of the City of New York ("the Zoning Resolution").

C. Pursuant to a Zoning Lot Development Agreement dated January 3, 2006 and recorded at _____ in the office of the City Register, the Property is part of a single zoning lot, as defined in paragraph (f) (4) of the definition of zoning lot under Section 12-10 of the Zoning Resolution of the City of New York (the "Zoning Resolution"), that includes tax lots 1, 14, and 16 in Block 714 (collectively, the "Premises") and is more particularly described on **Exhibit A** to the Declaration;

D. The Premises consists of a zoning lot which is eligible for the High Line Improvement Bonus, pursuant to Section 98-25 of the Zoning Resolution of the City of New York, as amended (the "Zoning Resolution") and has a lot area in excess of 5,000 square feet;

E. The provisions regarding the High Line Improvement Bonus contained in Chapter 8 of Article IX of the Zoning Resolution require that the Owner provide on such a zoning lot a primary access easement volume, as defined in Section 98-61 of the Zoning Resolution, comprised of a volume at least eighteen feet six inches long and ten feet wide, with a minimum area of 350 square feet, providing public access to and from a stairway and elevator on the zoning lot and for maintenance and repair by the City of such stairway and elevator, and for access to and from, public use, and maintenance and repair of the High Service Facilities on the Property;

F. Satisfactory evidence of the provision of such an easement volume is a condition precedent to the issuance by the Commissioner of Buildings of any building permits for any development or enlargement of the Premises that anticipates using floor area that would increase the applicable basic maximum floor area ratio by up to an amount specified in Section 98-22;

G. All "parties in interest" in the Premises within the meaning of Section 12-10 of the Zoning Resolution of the City of New York, effective December 15, 1961, as amended, have

either executed this Agreement or waived their respective rights to execute this Agreement by written Waivers of Execution of, and Subordination to, or by powers of attorney granted to the Declarant with respect to, the Declaration and to this Agreement, attached as **Exhibit C** to the Declaration;

H. Owner, or its successors, proposes to build a new building on the Premises (the "New Building");

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto agree as follows:

FIRST: GRANT OF EASEMENT. (a) Owner with respect to its fee interest in the Premises, hereby grants, conveys, releases and relinquishes for the period commencing on the date hereof unto the City and its respective successors and assigns, a permanent easement and right of way in and through the volume of space (the "Easement Volume") located on the Premises, and more particularly described in and shown on the attached drawing (the "Easement Drawings") and metes and bounds description, attached hereto as **Schedule 1** and **Schedule 2**, respectively, and made a part hereof, free and clear of all liens and encumbrances. The Easement Volume herein created is to be used for and the rights and interest conveyed hereunder shall include, the construction, reconstruction, use, operation, maintenance, cleaning, opening, closing, securing, decorating and/or providing access to public utilities by or on behalf of the City or its respective contractors or agents of and for public access to and from the stairway and elevator on the zoning lot and for maintenance and repair by the City of such stairway and elevator, and providing for City access to and from and for public use of the High Line Service Facilities on the zoning lot and for maintenance and repair by the City of such High Line Service Facilities.

TO HAVE AND TO HOLD the Easement unto the City and its respective successors and assigns forever for said purposes as provided herein.

SECOND: WARRANTY. Owner represents and warrants with respect to its interest in the Premises that there is no mortgage, covenant, limitation, lien, encumbrance, lease, ground lease or future estate or interest affecting the Premises or a New Building which now is or which may become superior to this Agreement or to which this Agreement and Easement may be subject or subordinate or which may presently preclude or restrict or may in the future preclude or restrict the City's rights under this Agreement. The Owner further acknowledges and agrees that its rights as owner are subject and subordinate to this Agreement and to the Easement.

THIRD: UTILIZATION OF EASEMENT VOLUME PRIOR TO POSSESSION DATE. A. Prior to the Possession Date (as hereinafter defined) and pursuant to Section 9862(d) of the Zoning Resolution, Owner may utilize the Easement Volume for any permitted use or uses set forth in the Zoning Resolution. Utilization by Owner of the Easement Volume may continue until the Possession Date. For the purposes of this Agreement, the term "Possession Date" shall mean the date stated in a written notice ("Possession Notice") from the City to Owner stating that the City has determined that the Easement Volume is required for public access purposes, provided that the Possession Date shall not be earlier than the date which is six (6) months after the date of the giving of the Possession Notice, it being agreed that the City shall promptly after

issuance mail or deliver the Possession Notice in accordance with Article FOURTEENTH hereof. On or before the Possession Date, and in accordance with Section 9862(d) of the Zoning Resolution, Owner shall vacate the Easement Volume, and deliver the same vacant and free of tenancies or claims of possession, and remove, at its own cost and expense, any and all improvements, objects or obstructions (collectively, the "Obstructions") within or upon the Easement Volume except for such improvements as the City, in its reasonable discretion, shall permit (by notice in the Possession Notice) to remain.

B. In the event Owner has failed to remove all Obstructions prior to the Possession Date in accordance with Paragraph A above, the City may remove, at the reasonable cost and expense of Owner, any Obstructions which lie within or upon the Easement Volume. Owner shall promptly upon demand reimburse the City for all reasonable cost and expenses of the City in connection with such removal, which demand shall include sufficient supporting documentation with respect to such costs and expenses . Owner hereby consents to the entry by the City on, over or about such portions of the Premises reasonably necessary for the purposes of removing such Obstructions. Except for willful misconduct or gross negligence by the City or a party or parties acting on behalf of the City, Owner hereby releases the City from any and all liability for damage to the Premises, a New Building, the Obstructions and the structures adjoining the Easement Volume resulting from the removal of any Obstructions by the City in the event that Owner fails to remove such Obstructions prior to the Possession Date.

FOURTH: CONSTRUCTION AND MAINTENANCE. A. From and after the Possession Date, the City shall be responsible, at its sole cost and expense, for the construction, reconstruction, maintenance, repair and operation, of the Easement Volume (including the elevator and the stairway), and for the performance of its obligations pursuant to this Article FOURTH and Article EIGHTH hereof (collectively, the "Work").

B. The City shall be responsible for the construction and maintenance of the interior walls of the Easement Volume as shown on the Easement Drawings (collectively, the "Interior Walls"). Owner shall be responsible for the construction and maintenance of all elements of any structure existing or constructed immediately adjacent to the Easement Volume and the floors or ceilings separating the Easement Volume from such structure, excluding the Interior Walls. Notwithstanding the foregoing, from and after the Possession Date (as herein defined), the City shall maintain in a reasonably clean condition (including painting as required) the exposed surfaces of elements immediately facing to and opening upon the Easement Volume, subject to Owner's obligations set forth in Article EIGHTH hereunder.

FIFTH: ENTRY BY THE CITY ON PREMISES. Prior to the Possession Date, the City may, on not less than ten (10) days written notice to Owner, enter upon the Easement Volume and such portions of the Premises reasonably necessary to make surveys, soundings, borings and examinations. From and after the Possession Date and in accordance with the provisions of this Agreement, the City shall have the right to enter upon such portions of the Premises as may be reasonably necessary for the Work, provided that (i) the first such entry shall be on not less than thirty (30) days prior written notice, (ii) shall be at reasonable times, (iii) shall be in a manner so as to reasonably minimize interference with Owner's use of the Premises, and (iv) shall be subject to Owner's reasonable security requirements. The Work shall be performed in a good and workerlike manner, and prosecuted and completed with due diligence, and in

accordance with all applicable laws, rules and regulations . Except as otherwise set forth herein, any damages to the Premises which result from the Work shall, at Owner's option (except that if emergency repairs are required, at the City's option), be promptly repaired by the City in a good and workerlike manner, or by Owner, at the reasonable cost and expense of the City, which shall promptly reimburse Owner for such reasonable costs and expenses.

SIXTH: WORK AFFECTING EASEMENT VOLUME. After the Possession Date, Owner may not commence any work on the Premises which in any manner will directly adversely affect or interfere with the use of the Easement by the City without the prior written approval of the plans and specifications therefor by the City. Such approval by the City shall not relieve Owner from liability for the design, engineering and construction of a New Building on the Premises in the event of any damage to the Easement Volume, except to the extent that any aspect of such design, engineering or construction was required by the City after written objection by Owner thereto.

SEVENTH: DAMAGE. A. Any damage to the City's facilities, in the Easement Volume or elsewhere, caused by Owner, its contractors, agents, or employees shall be promptly repaired by Owner in a good and workerlike manner and in accordance with all applicable laws, rules and regulations . The City shall promptly inform Owner of any such damage. Should Owner fail to promptly repair any such damage to the City's facilities, the City, after thirty (30) days prior written notice to Owner, may perform the necessary repair work, all at the reasonable cost and expense of Owner, which shall promptly reimburse the City for such cost. Notwithstanding the foregoing, the City shall have the absolute right to take all action which it may deem appropriate to remedy any emergency condition or any condition which in the reasonable judgment of the City shall produce an imminent danger to the public or in the Easement Volume, which is caused by or arises in connection with the activities of Owner in the construction or maintenance of a New Building or the Premises, in order to insure the safety of the public, all at the cost and expense of Owner. Such cost and expense shall, if and to the extent such work is performed by City personnel, be computed by multiplying the hourly wage rate for each employee engaged in the work by 1.35, and Owner shall pay the amount thereof to the City promptly upon being billed therefor. In the event such work is performed by non-city personnel, Owner shall reimburse the City for the Owner's reasonable cost of such work.

B. Any damage to the Premises or a New Building, caused by the City or any part or parties acting on its behalf, in connection with the Work or the failure by the City to properly construct, maintain or repair the Easement Volume, shall be promptly repaired by the City in a good and workerlike manner and in accordance with all applicable laws, rules and regulations. Owner shall promptly inform the City of any such damage. Should the City fail to promptly repair any such damage to the Premises or a New Building, Owner, after thirty (30) days prior written notice to the City (which notice must include a reference to the 30-day turnaround time set forth herein), may perform the necessary repair work, all at the reasonable cost and expense of the City, which shall promptly reimburse Owner for such cost. Notwithstanding the foregoing, Owner shall have the absolute right to take all action which it may deem appropriate to remedy any emergency condition or any condition which in the reasonable judgment of Owner shall produce an imminent danger to the Premises or a New Building, which is caused by or arises in connection with the Work or maintenance, all at the cost and expense of the City.

EIGHTH: USE AND OPERATION OF EASEMENT VOLUME. A. The City, upon the commencement of the use of the Easement Volume for public access purposes, shall at all times maintain and keep the Easement Volume (not including the sidewalk and subject to the provisions of Subsection E hereof) in a clean, neat and safe condition . Except for temporary closings for repairs and reconstruction, the City shall keep the Easement Volume in a condition suitable for the use of the public, including regular maintenance of the stairway, elevator, and High Line Service Facilities.

B. The City shall keep the Easement Volume properly illuminated with artificial light at all times when such, in the sole discretion of the City, is necessary for the safety and convenience of the public and licensees, agents and employees of the City.

C. The City shall maintain and keep in a clean, neat, safe and suitable condition the surface of any wall of a New Building immediately bounding the Easement Volume.

D. Owner shall be responsible for all structural repairs and/or replacements which may be required to New Building walls and any Permitted Obstructions (as defined in Section 98-62 of the Zoning Resolution) . The City hereby grants Owner permission, from time to time, to enter the Easement Volume for the carrying out of such structural repairs and replacements provided that such entry shall be (i) on not less than thirty (30) days written notice, except in the event of an emergency, (ii) at reasonable times, (iii) in a manner so as to reasonably minimize interference with the City's use of the Easement Volume, (iv) subject to the City's reasonable security requirements, and (v) in accordance with such reasonable rules and regulations set forth by the City. The Easement Volume shall be left in "broom swept" condition at the completion of such work.

E. Owner shall maintain the sidewalk adjoining the Easement Volume on the street level in a clean and safe condition and free of ice, snow or other dangerous conditions. In addition, Owner shall remove from the opening of the Easement Volume directly adjoining the sidewalk on the Street level (the "Entrance Area") any ice and snow and other substantial accumulations related to or resulting from the weather that may infiltrate into the Entrance Area from the sidewalk. Notwithstanding the foregoing, in no event shall Owner have any obligation or liability to maintain or repair the Entrance Area, or to clean, maintain, repair or remove any ice, snow or other accumulations from any area other than the Entrance Area, including, but not limited to, the stairs or the elevator . Furthermore, this Subsection (E) shall in no event be construed to impose any obligation upon Owner to clean, maintain or repair any portion of the Easement Volume other than as specifically set forth in this Subsection (E) as to the Entrance Area.

NINTH: TERMINATION OF EASEMENT VOLUME. Termination of the Easement Volume shall be pursuant to the procedures set forth in Section 48-64 of the Zoning Resolution. In the event that such termination occurs at any time after the commencement of the Work (whether or not the Work has been completed) the City shall, at its sole cost and expense, expeditiously close off and seal the entrance area from the street level and remove all of their improvements from the Easement Volume, such that the sidewalk is repaved and the area immediately adjoining the Easement Volume is safely restored to substantially that condition which existed prior to the City's entry into the Easement Volume.

TENTH: RECORDING. Owner covenants and agrees that after execution of this Agreement, Owner shall promptly record it in the Office of the Register of the City of New York (County of New York), and provide both the Department of City Planning ("DCP") and the New York City Department of Parks & Recreation ("DPR") with a recorded copy of this Agreement, certified by the Register. The City shall also have the right to record this Agreement. However, all costs of recordation and certification, whether undertaken by Owner or the City shall be borne by Owner. If any mortgage or ground lease is hereafter or simultaneously with the recordation of this Agreement placed upon the Premises, or upon any portion thereof, by Owner, Owner undertakes and agrees that said mortgage or ground lease shall be subject and subordinate to this Agreement and the Easement Volume granted herein.

ELEVENTH: LIABILITY. No commissioner, member, partner, officer, principal (whether disclosed or undisclosed), agent or employee of the City or Owner shall be liable personally under or by reason of this Agreement, or any of its articles, covenants or provisions, nor shall any commissioner, member, partner, officer, principal (whether disclosed or undisclosed), agent or employee of the City or Owner be personally liable, or be sued individually for damages on account of any breach of this Agreement.

TWELFTH: NO THIRD PARTY BENEFICIARY. The duties imposed upon Owner and the City in this Agreement shall not inure to the benefit of any third party. The foregoing notwithstanding, Owner agrees that any right granted under this Agreement to the City shall inure and extend to the benefit of and may be exercised by any agency or instrumentality of the City (including without limitation the New York City Economic Development Corporation ("EDC") acting on behalf of the City, and all rights of the City to perform any work with respect to the Easement Volume may be performed by contractors and subcontractors of any of same. Any notice, demand, consent or approval delivered by any such agency or instrumentality shall have the same force and effect as if delivered by the City, and any such agency or instrumentality may perform any obligation on behalf of the City in satisfaction thereof.

THIRTEENTH: INSURANCE FOR WORK BY EDC. The City warrants that it will require all of the contractors and subcontractors performing the Work (whether such work consists of construction, repair, maintenance or reconstruction and whether such work is performed for the City or for any other party), to maintain such insurance policies and in such amounts that are acceptable to the City, naming Owner as an additional insured party in all their required general liability insurance policies. The City shall, during the term of this Agreement, either maintain insurance policies or be self-insured with respect to the Work, the use of the Easement Volume any other work, maintenance or repair in or affecting the Easement Volume. In connection with and prior to performing any work in or affecting the Easement Volume, Owner shall maintain or cause its contractors to maintain commercial general liability insurance in amounts reasonably acceptable to the City naming the City, EDC and Apple Industrial Development Corp. (a corporation affiliated with EDC which performs certain property management functions for EDC) as additional insureds.

FOURTEENTH: NOTICES. Any notice, direction or other communication required or permitted hereunder shall be in writing and either personally delivered or sent prepaid, by certified or registered mail, to the appropriate party at its address set forth on the first page of this Agreement, or at such other address as such party may designate by notice sent by personal

delivery or by certified or registered mail to the other party . Any notice, direction or other communication mailed as directed above shall be deemed to be received as of three (3) days after the date of mailing or, if delivered personally, when received.

Any notice to be given to the City shall be simultaneously sent to the following parties:

Department of Parks and Recreation, The Arsenal, Central Park, New York, New York 10021, attn: Commissioner;

the New York City Department of City Planning, 22 Reade Street, New York, New York 10007, attn: Director;

New York City Economic Development Corporation, 100 Williams Street, New York, New York 10038 attn: Vice President, Property Management.

Any notice to he given to Owner shall be simultaneously sent to the following parties:

Wachtel & Masyr, LLP, 110 East 59th Street, 27th Floor, New York, New York 100022, Attention: Jesse Masyr, Esq.;

Michael, Levitt, Goldberger & Rubenstein, LLP, 60 Columbus Circle, 20th Floor, New York, New York 10023, Attention: Bernard Michael, Esq.; 17 & 10th Associates, c/o The Related Companies, 60 Columbus Circle, 19th Floor, New York, NY 10023.

FIFTEENTH: REMEDIES. Each party hereto may avail itself of each and every remedy herein specifically given to it or now or hereafter existing at law or in equity or by statute, and each and every such remedy shall be in addition to every other remedy so specifically given or otherwise so existing and may be exercised from time to time and as often and in such order as may be deemed expedient by any party, and the exercise, or the beginning of the exercise, of one remedy shall not be deemed to be a waiver of the right to exercise, at the same time or thereafter, of any other remedy.

SIXTEENTH: BINDING EFFECT. All promises, agreements and covenants herein made by Owner and the City (a) shall be real covenants running with the land, the buildings affected and the parties' respective interests therein, and (b) shall inure to the benefit of and be binding upon every party having any right, title and interest therein or any part thereof and the successors and assigns of any such party. Provided any purchaser, assignee or transferee of any interest of Owner in the Premises and/or a New Building shall specifically assume the obligations and liabilities of Owner under this Agreement, then the obligations and liabilities of Owner under this Agreement shall no longer be binding upon Owner after such sale, assignment or transfer by Owner (or upon any subsequent owner/lessee of the Premises and/or a New Building after the sale, assignment or transfer by such subsequent owner/lessee) of its interest in the Premises and/or a New Building. The City shall look solely to the respective estate and interest of Owner and its respective successors and assigns, in the Premises and in a New Building for the collection of any judgment recovered against Owner, or such successors and assigns, based upon the breach by Owner, or such successors and assigns, of any of the terms, covenants or conditions of this Agreement on the part of owners, or such successors and assigns, to be performed, and no other property of Owner or such successors and assigns, shall be subject

to levy, execution or other enforcement procedure for the satisfaction of any other party or person's remedies under or with respect to either this Agreement, the relationship of Owner and the EDC or the City, or the use of the Easement Volume.

SEVENTEENTH: TITLES AND HEADINGS. The table of contents and titles of sections of this Agreement are intended for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

EIGHTEENTH: COUNTERPARTS. This Agreement may be executed in counterparts, and all such counterparts shall be deemed to constitute but one original document.

NINETEENTH: MODIFICATION. This Agreement may not be modified, amended, terminated or discharged except by a written instrument executed by the patties herewith or their duly authorized representatives. In the event that the Commissioner of Buildings and the Commissioner of DPR are unable to make the determination required under Section 98-11 of the Zoning Resolution with respect to a building permit for the New Building or the City determines that the City does not have adequate access to the High Line as may be reasonably necessary to develop, reconstruct, replace, improve, operate, maintain, repair and use the High Line as open space, and either party determines that modifications to the Easement Volume would allow such determination to be made by said Commissioners or would provide the City with adequate access to the High Line, as the case may be, such party may propose modifications to the Easement Volume. The other party shall consider such modifications in good faith, and the consent of such party to the modification shall not be unreasonably withheld. Notwithstanding the foregoing, it shall be per se reasonable (i) for the Owner to deny consent for any modification that would either require the Owner to lose the use of any additional floor area on the Premises or to redesign or rebuild any portion of the New Building to which any Owner resources have been contractually committed, and (ii) for the city to deny consent for any modification that would require the City to redesign or rebuild the stairway and elevator within the Easement Volume.

TWENTIETH: NON-USE OF EASEMENT. The failure by the City to exercise any of its rights under this Agreement including but not limited to its non-use of the Easement Volume shall not be deemed or construed to be a waiver by the City of its rights under this Agreement, or a basis for the termination of this Agreement.

TWENTY-FIRST: SEVERABILITY. If any provision of this Agreement shall be held invalid under any applicable laws, such invalidity shall not affect any other provision of this Agreement that can be given effect without the invalid provision, and to this end, the provisions hereof are severable.

TWENTY-SECOND: LIEN LAW COVENANT. This Easement :Agreement is subject to the provisions of Section 13 of the Lien Law of the State of New York, and each of the parties hereto covenants that it will receive any consideration paid by any party hereto as a trust fund to be applied first for the purpose of paying the cost of the improvement before using any part thereof for any other purpose.

TWENTY-THIRD: GOVERNING LAW; JURISDICTION; VENUE. This Agreement shall be governed by, and construed in accordance with, the substantive laws of the State of New York, without regard to conflict of law principles. For the purposes of any suit, action or proceeding involving this Agreement, the parties hereto hereby expressly submit to the jurisdiction of all federal and state courts sitting in New York County, State of New York, and consent that any order, process, notice of motion or other application to or by any such court or a judge thereof may be served within or without such court's jurisdiction by registered mail or by personal service, provided that a reasonable time for appearance is allowed, and the parties hereto agree that such courts shall have the exclusive jurisdiction over any such suit, action or proceeding commenced by either or both of said parties.

In furtherance of such agreement, each party hereto agrees upon the request of the other party to discontinue (or agree to the discontinuance of) any such suit, action or proceeding pending in any other jurisdiction.

Each of the parties hereto hereby irrevocably waives any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement brought in any federal or state court sitting in the State of New York and hereby further irrevocably waive any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF, Grantor and Grantee have executed this indenture on the date of this Indenture.

GRANTOR

17th & 10th Associates, LLC

By:_____

Name:_____

Title:_____

ACKNOWLEDGMENT

State of New York)
) ss.:
County of New York)

On the ____ day of _____ in the year 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 individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
(Notary Public)

IN WITNESS WHEREOF, Grantor and Grantee have executed this indenture on the date of this Indenture.

GRANEE

The City of New York

By:_____

Name:_____

Title:_____

ACKNOWLEDGMENT

State of New York)
) ss.:
County of New York)

On the ____ day of _____ in the year 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 individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
(Notary Public)

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