THIS PLAN HAS BEEN AMENDED. SEE INSIDE COVER.

CONDOMINIUM OFFERING PLAN FOR
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

THE SETAI

NEW YORK

40 Broad Street
New York, New York 10004

TOTAL INITIAL PURCHASE PRICE OF THE 167 RESIDENTIAL UNITS
OFFERED FOR SALE HEREBY IS $186,365,000.
(The Condominium has 167 Residential Units and 5 Commercial Units.
The 5 Commercial Units are not being offered for sale hereunder at this time.)

Sponsor
40 Broad LLC
c/o Zamir Equities
587 Fifth Avenue, 10th Floor
New York, New York 10017

Selling Agent
The Marketing Directors, Inc.
750 Lexington Avenue, 18th Floor
New York, New York 10022

Sales Office
The Marketing Directors, Inc.
40 Broad Street
New York, New York 10004

Date of Acceptance for Filing: November 24, 2006
The term of the initial offering of this Plan commenced on November 24, 2006
and expires on November 23, 2007, unless said date is extended in a duly filed amendment.

SEE PAGE iv FOR SPECIAL RISKS TO PURCHASERS.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE SPECIAL RISKS SECTION OF THE PLAN.)

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

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

EIGHTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

THE SETAI CONDOMINIUM RESIDENCES
40 BROAD STREET
NEW YORK, NEW YORK 10004

Dated: March 5, 2007

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EIGHTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
FOR
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

This Eighth Amendment (this "Amendment") modifies and supplements the terms of the Condominium Offering Plan for the premises known as The Setai Condominium Residences at 40 Broad Street, New York, New York 10004, first accepted for filing on November 24, 2006, as amended by the First Amendment dated November 29, 2006, the Second Amendment dated December 7, 2006, the Third Amendment dated December 28, 2006, the Fourth Amendment dated January 12, 2007, the Fifth Amendment dated January 30, 2007, the Sixth Amendment dated February 9, 2007, and the Seventh Amendment dated February 26, 2007 (as amended, the "Plan"), and is incorporated into and should be read in conjunction with the Plan.

The terms of this Eighth Amendment are as follows:

1. REVISED PURCHASE PRICES

Sponsor hereby increases the Purchase Prices for certain Residential Units as set forth on "Schedule A, Purchase Prices and Related Information," annexed hereto as Exhibit "A".

2. INCORPORATION OF THE PLAN

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

3. DEFINITIONS

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

4. NO MATERIAL CHANGES

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

Dated: March 5, 2007

SPONSOR:

40 BROAD LLC

EXHIBIT A

PURCHASE PRICES AND RELATED INFORMATION

Setai Condominium Residences at 40 Broad Street 3/2/07 1:14 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
*10A	1BR/1B		845	865,000	0.35377%	0.54396%	1,179.60	581.57	503.30	6,979	6,040	1,761.17	1,682.89
10B	1BR/1B		718	830,000	0.30060%	0.46221%	1,002.31	494.16	427.65	5,930	5,132	1,496.47	1,429.96
11A	1BR/1.5B		931	980,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
11B	1BR/1.5B		859	985,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
11C	ST/1B		581	670,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
11D	1BR/1.5B		823	910,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
11E	1BR+/2B		1100	1,265,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
11F	ST/1B		613	690,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
11G	1BR/1B		739	905,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
11H	1BR+/2B		1338	1,530,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
12A	1BR/1.5B		931	990,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
12B	1BR/1.5B		859	995,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
12C	ST/1B		581	675,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
12D	1BR/1.5B		823	920,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
12E	1BR+/2B		1100	1,280,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
12F	ST/1B		613	695,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
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14B	1BR/1.5B		859	1,005,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
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14E	1BR+/2B		1100	1,295,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
14F	ST/1B		613	700,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
14G	1BR/1B		739	925,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
14H	1BR+/2B		1338	1,560,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
15A	1BR/1.5B		932	1,010,000	0.39019%	0.59997%	1,301.05	641.45	555.11	7,697	6,661	1,942.50	1,856.16
15B	2BR/2B		1123	1,305,000	0.47015%	0.72293%	1,567.68	772.91	668.88	9,275	8,027	2,340.58	2,236.55
15C	1BR+/2B		1161	1,295,000	0.48606%	0.74739%	1,620.72	799.06	691.51	9,589	8,298	2,419.78	2,312.23
15D	1BR/1.5B		943	925,000	0.39479%	0.60705%	1,316.40	649.02	561.67	7,788	6,740	1,965.42	1,878.07
15E	ST/1B		475	650,000	0.19886%	0.30578%	663.09	326.92	282.92	3,923	3,395	990.01	946.00
15F	1BR/1B		674	845,000	0.28217%	0.43388%	940.89	463.88	401.44	5,567	4,817	1,404.77	1,342.33
15G	1BR+/2B		1338	1,570,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
16A	1BR/1.5B		930	1,060,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
16B	1BR/1.5B		1066	1,140,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
16C	ST/1B		582	685,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
16D	1BR/1.5B		826	955,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
16E	1BR+/2B		1115	1,320,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
16F	1BR/1.5B		934	1,085,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
16G	ST/1B		570	700,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
16H	1BR+/2B		1337	1,585,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
17A	1BR/1.5B		930	1,065,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
17B	1BR/1.5B		1066	1,145,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
17C	ST/1B		582	690,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
17D	1BR/1.5B		826	960,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
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17G	ST/1B		570	705,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
17H	1BR+/2B		1337	1,600,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
18A	1BR/1.5B		930	1,070,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
18B	1BR/1.5B		1066	1,150,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
18C	ST/1B		582	695,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
18D	1BR/1.5B		826	965,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
18E	1BR+/2B		1115	1,350,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
18F	1BR/1.5B		934	1,095,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14

Setai Condominium Residences at 40 Broad Street 3/2/07 1:14 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
18G	ST/1B		570	710,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
18H	1BR+/2B		1337	1,615,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
19A	1BR/1.5B		930	1,075,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
19B	1BR/1.5B		1066	1,155,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
19C	ST/1B		582	700,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
19D	1BR/1.5B		826	970,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
19E	1BR+/2B		1115	1,365,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
19F	1BR/1.5B		934	1,100,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
19G	ST/1B		570	715,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
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20A	1BR/1.5B		930	1,080,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
20B	1BR/1.5B		1066	1,160,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
20C	ST/1B		582	705,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
20D	1BR/1.5B		826	975,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
20E	1BR+/2B		1115	1,380,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
20F	1BR/1.5B		934	1,105,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
20G	ST/1B		570	720,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
20H	1BR+/2B		1337	1,645,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
21A	1BR/1.5B		930	1,085,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
21B	1BR/1.5B		1066	1,165,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
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22A	1BR/1.5B		930	1,090,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
22B	1BR/1.5B		1066	1,170,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
22C	ST/1B		582	715,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
22D	1BR/1.5B		826	985,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
22E	1BR+/2B		1115	1,410,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
22F	1BR/1.5B		934	1,115,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
22G	ST/1B		570	730,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
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23H	1BR+/2B		1337	1,690,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
24A	1BR/1B		950	1,090,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
24B	1BR+/1.5B		1066	1,185,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
24C	ST/1B		590	735,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
24D	1BR+/2B		1004	1,295,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
24E	1BR/1B T	135	772	1,105,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
24F	ST/1B T	135	521	785,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
24G	1BR/1.5B T	144	824	1,140,000	0.34497%	0.53045%	1,150.28	567.12	490.79	6,805	5,889	1,717.40	1,641.07
24H	1BR+/2B T	200	1149	1,650,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
25A	1BR/1B		950	1,100,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
25B	1BR/1.5B		1066	1,195,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
25C	ST/1B		590	745,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
25D	1BR+/2B		1004	1,310,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
25E	1BR/1B		772	1,015,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51

Setai Condominium Residences at 40 Broad Street 3/2/07 1:14 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
25F	ST/1B		521	720,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
25G	1BR/1.5B		824	1,050,000	0.34497%	0.53045%	1,150.28	567.12	490.79	6,805	5,889	1,717.40	1,641.07
25H	1BR+/2B		1149	1,515,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
26A	1BR/1B		950	1,110,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
26B	1BR/1.5B		1066	1,205,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
26C	ST/1B		590	755,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
26D	1BR+/2B		1004	1,325,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
26E	1BR/1B		772	1,025,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
26F	ST/1B		521	730,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
26G	1BR/1.5B		784	1,060,000	0.32823%	0.50470%	1,094.44	539.59	466.96	6,475	5,604	1,634.03	1,561.41
26H	1BR+/2B		1149	1,530,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
27A	1BR/1B		950	1,120,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
27B	1BR/1.5B		1066	1,215,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
27C	ST/1B		590	765,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
27D	1BR+/2B		1004	1,340,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
27E	1BR/1B		772	1,035,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
27F	ST/1B		521	740,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
27G	1BR/1.5B		784	1,070,000	0.32823%	0.50470%	1,094.44	539.59	466.96	6,475	5,604	1,634.03	1,561.41
27H	1BR+/2B		1149	1,545,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
28A	1BR/1.5B		963	1,300,000	0.40317%	0.61993%	1,344.32	662.79	573.58	7,953	6,883	2,007.11	1,917.90
28B	1BR/1.5B		1066	1,380,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
28C	ST/1B		590	875,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
28D	1BR+/2B		1004	1,510,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
28E	1BR/1B		771	1,120,000	0.32278%	0.49633%	1,076.30	530.64	459.22	6,368	5,511	1,606.94	1,535.51
28F	ST/1B		518	850,000	0.21686%	0.33346%	723.11	356.51	308.53	4,278	3,702	1,079.63	1,031.64
28G	1BR/1.5B		787	1,210,000	0.32948%	0.50663%	1,098.63	541.65	468.75	6,500	5,625	1,640.28	1,567.38
28H	1BR+/2B		1124	1,615,000	0.47057%	0.72357%	1,569.07	773.59	669.47	9,283	8,034	2,342.67	2,238.55
PH1A	1BR/1.5B		964	1,355,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH1B	1BR/1.5B		1071	1,435,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH1C	2BR+/3B		1587	2,335,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH1D	1BR/1B		769	1,220,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH1E	ST/1B		516	810,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH1F	1BR/1.5B		785	1,195,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH1G	1BR+/2B		1125	1,765,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH2A	1BR/1.5B		964	1,365,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH2B	1BR/1.5B		1071	1,445,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH2C	2BR+/3B		1587	2,350,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH2D	1BR/1B		769	1,230,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH2E	ST/1B		516	820,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH2F	1BR/1.5B		785	1,205,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH2G	1BR+/2B		1125	1,780,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH3A	1BR/1.5B		964	1,375,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH3B	1BR/1.5B		1071	1,455,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH3C	2BR+/3B		1587	2,365,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH3D	1BR/1B		769	1,240,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH3E	ST/1B		516	830,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH3F	1BR/1.5B		785	1,215,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH3G	1BR+/2B		1125	1,795,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH4A	1BR/1.5B		964	1,385,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH4B	1BR/1.5B		1071	1,465,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH4C	2BR+/3B		1587	2,380,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH4D	1BR/1B		769	1,250,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH4E	ST/1B		516	840,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH4F	1BR/1.5B		785	1,225,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH4G	1BR+/2B		1125	1,810,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36

Setai Condominium Residences at 40 Broad Street 3/2/07 1:14 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
PH5A	3BR/3.5B		3424	6,750,000	1.43348%	2.20418%	4,779.81	3,539.37	3,782.81	42,472	45,394	8,319.18	8,562.62
PH5B	2BR+/3.5B		2361	4,250,000	0.98845%	1.51988%	3,295.89	2,440.55	2,608.41	29,287	31,301	5,736.44	5,904.30
Residential Unit Subtotals		**614**	**155,341**	**200,265,000**	**65.03460%**	**100.00000%**	**216,851.76**	**118,331.57**	**109,353.30**	**1,419,978.87**	**1,312,239.54**	**335,183.33**	**324,522.16**
Commercial Unit #1 (Garage)			6,500		2.72127%		2,228.91	2,291.67	2,291.67	27,500	27,500	4,520.58	4,520.58
Commercial Unit #2 (Retail)			4,505		1.88605%		1,544.81	5,772.61	5,772.61	69,271	69,271	7,317.42	7,317.42
Commercial Unit #3 (Retail)			1,218		0.50992%		417.66	1,560.72	1,560.72	18,729	18,729	1,978.38	1,978.38
Commercial Unit #4 (2nd and 3rd Floor)			23,489		9.83384%		8,054.60	15,616.67	15,616.67	187,400	187,400	23,671.27	23,671.27
Commercial Unit #5 (Floors 4-7)			47,806		20.01432%		16,445.05	31,566.67	31,566.67	378,800	378,800	48,011.71	48,011.71
Commercial Unit Subtotal			**83,518**				**28,691.03**	**56,808.33**	**56,808.33**	**681,700.00**	**681,700.00**	**85,499.36**	**85,499.36**
	TOTALS	**614**	**238,859**	**200,265,000**	**100.00000%**	**100.000000%**	**245,542.79**	**175,139.91**	**166,161.63**	**2,101,679**	**1,993,940**	**420,682.69**	**410,021.52**

*Unit 10A is for Resident Manager

SEVENTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

THE SETAI CONDOMINIUM RESIDENCES
40 BROAD STREET
NEW YORK, NEW YORK 10004

Dated: February 26, 2007

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SEVENTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
FOR
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

This Seventh Amendment (this "Amendment") modifies and supplements the terms of the Condominium Offering Plan for the premises known as The Setai Condominium Residences at 40 Broad Street, New York, New York 10004, first accepted for filing on November 24, 2006, as amended by the First Amendment dated November 29, 2006, the Second Amendment dated December 7, 2006, the Third Amendment dated December 28, 2006, the Fourth Amendment dated January 12, 2007, the Fifth Amendment dated January 30, 2007 and the Sixth Amendment dated February 9, 2007 (as amended, the "Plan"), and is incorporated into and should be read in conjunction with the Plan.

The terms of this Seventh Amendment are as follows:

1. REVISED PURCHASE PRICES

Sponsor hereby increases the Purchase Prices for certain Residential Units as set forth on "Schedule A, Purchase Prices and Related Information," annexed hereto as Exhibit "A".

2. INCORPORATION OF THE PLAN

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

3. DEFINITIONS

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

4. NO MATERIAL CHANGES

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

Dated: February 26, 2007

SPONSOR:

40 BROAD LLC

EXHIBIT A

PURCHASE PRICES AND RELATED INFORMATION

Setal Condominium Residences at 40 Broad Street 2/23/07 2:45 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
*10A	1BR/1B		845	865,000	0.35377%	0.54396%	1,179.60	581.57	503.30	6,979	6,040	1,761.17	1,682.89
10B	1BR/1B		718	830,000	0.30060%	0.46221%	1,002.31	494.16	427.65	5,930	5,132	1,496.47	1,429.96
11A	1BR/1.5B		931	980,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
11B	1BR/1.5B		859	985,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
11C	ST/1B		581	670,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
11D	1BR/1.5B		823	910,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
11E	1BR+/2B		1100	1,265,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
11F	ST/1B		613	665,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
11G	1BR/1B		739	880,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
11H	1BR+/2B		1338	1,530,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
12A	1BR/1.5B		931	990,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
12B	1BR/1.5B		859	995,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
12C	ST/1B		581	675,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
12D	1BR/1.5B		823	920,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
12E	1BR+/2B		1100	1,280,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
12F	ST/1B		613	670,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
12G	1BR/1B		739	890,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
12H	1BR+/2B		1338	1,545,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
14A	1BR/1.5B		931	1,000,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
14B	1BR/1.5B		859	1,005,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
14C	ST/1B		581	680,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
14D	1BR/1.5B		823	930,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
14E	1BR+/2B		1100	1,295,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
14F	ST/1B		613	675,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
14G	1BR/1B		739	900,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
14H	1BR+/2B		1338	1,560,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
15A	1BR/1.5B		932	1,010,000	0.39019%	0.59997%	1,301.05	641.45	555.11	7,697	6,661	1,942.50	1,856.16
15B	2BR/2B		1123	1,205,000	0.47015%	0.72293%	1,567.68	772.91	668.88	9,275	8,027	2,340.58	2,236.55
15C	1BR+/2B		1161	1,295,000	0.48606%	0.74739%	1,620.72	799.06	691.51	9,589	8,298	2,419.78	2,312.23
15D	1BR/1.5B		943	925,000	0.39479%	0.60705%	1,316.40	649.02	561.67	7,788	6,740	1,965.42	1,878.07
15E	ST/1B		475	650,000	0.19886%	0.30578%	663.09	326.92	282.92	3,923	3,395	990.01	946.00
15F	1BR/1B		674	820,000	0.28217%	0.43388%	940.89	463.88	401.44	5,567	4,817	1,404.77	1,342.33
15G	1BR+/2B		1338	1,545,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
16A	1BR/1.5B		930	1,060,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
16B	1BR/1.5B		1066	1,140,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
16C	ST/1B		582	685,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
16D	1BR/1.5B		826	955,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
16E	1BR+/2B		1115	1,320,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
16F	1BR/1.5B		934	1,060,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
16G	ST/1B		570	675,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
16H	1BR+/2B		1337	1,585,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
17A	1BR/1.5B		930	1,065,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
17B	1BR/1.5B		1066	1,145,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
17C	ST/1B		582	690,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
17D	1BR/1.5B		826	960,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
17E	1BR+/2B		1115	1,335,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
17F	1BR/1.5B		934	1,065,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
17G	ST/1B		570	680,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
17H	1BR+/2B		1337	1,600,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
18A	1BR/1.5B		930	1,070,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
18B	1BR/1.5B		1066	1,150,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
18C	ST/1B		582	695,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
18D	1BR/1.5B		826	965,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
18E	1BR+/2B		1115	1,350,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
18F	1BR/1.5B		934	1,070,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14

Setai Condominium Residences at 40 Broad Street 2/23/07 2:45 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
18G	ST/1B		570	685,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
18H	1BR+/2B		1337	1,615,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
19A	1BR/1.5B		930	1,075,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
19B	1BR/1.5B		1066	1,155,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
19C	ST/1B		582	700,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
19D	1BR/1.5B		826	970,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
19E	1BR+/2B		1115	1,365,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
19F	1BR/1.5B		934	1,075,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
19G	ST/1B		570	690,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
19H	1BR+/2B		1337	1,630,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
20A	1BR/1.5B		930	1,080,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
20B	1BR/1.5B		1066	1,160,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
20C	ST/1B		582	705,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
20D	1BR/1.5B		826	975,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
20E	1BR+/2B		1115	1,380,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
20F	1BR/1.5B		934	1,080,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
20G	ST/1B		570	695,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
20H	1BR+/2B		1337	1,645,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
21A	1BR/1.5B		930	1,085,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
21B	1BR/1.5B		1066	1,165,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
21C	ST/1B		582	710,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
21D	1BR/1.5B		826	980,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
21E	1BR+/2B		1115	1,395,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
21F	1BR/1.5B		934	1,085,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
21G	ST/1B		570	700,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
21H	1BR+/2B		1337	1,660,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
22A	1BR/1.5B		930	1,090,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
22B	1BR/1.5B		1066	1,170,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
22C	ST/1B		582	715,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
22D	1BR/1.5B		826	985,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
22E	1BR+/2B		1115	1,410,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
22F	1BR/1.5B		934	1,090,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
22G	ST/1B		570	705,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
22H	1BR+/2B		1337	1,675,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
23A	1BR/1.5B		930	1,095,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
23B	1BR/1.5B		1066	1,175,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
23C	ST/1B		582	720,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
23D	1BR/1.5B		826	990,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
23E	1BR+/2B		1115	1,425,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
23F	1BR/1.5B		934	1,095,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
23G	ST/1B		570	710,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
23H	1BR+/2B		1337	1,690,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
24A	1BR/1B		950	1,090,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
24B	1BR+/1.5B		1066	1,185,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
24C	ST/1B		590	735,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
24D	1BR+/2B		1004	1,295,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
24E	1BR/1B T	135	772	1,105,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
24F	ST/1B T	135	521	760,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
24G	1BR/1.5B T	144	824	1,140,000	0.34497%	0.53045%	1,150.28	567.12	490.79	6,805	5,889	1,717.40	1,641.07
24H	1BR+/2B T	200	1149	1,650,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
25A	1BR/1B		950	1,100,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
25B	1BR/1.5B		1066	1,195,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
25C	ST/1B		590	745,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
25D	1BR+/2B		1004	1,310,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
25E	1BR/1B		772	1,015,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51

Setai Condominium Residences at 40 Broad Street 2/23/07 2:45 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
25F	ST/1B		521	695,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
25G	1BR/1.5B		824	1,050,000	0.34497%	0.53045%	1,150.28	567.12	490.79	6,805	5,889	1,717.40	1,641.07
25H	1BR+/2B		1149	1,515,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
26A	1BR/1B		950	1,110,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
26B	1BR/1.5B		1066	1,205,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
26C	ST/1B		590	755,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
26D	1BR+/2B		1004	1,325,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
26E	1BR/1B		772	1,025,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
26F	ST/1B		521	705,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
26G	1BR/1.5B		784	1,060,000	0.32823%	0.50470%	1,094.44	539.59	466.96	6,475	5,604	1,634.03	1,561.41
26H	1BR+/2B		1149	1,530,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
27A	1BR/1B		950	1,120,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
27B	1BR/1.5B		1066	1,215,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
27C	ST/1B		590	765,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
27D	1BR+/2B		1004	1,340,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
27E	1BR/1B		772	1,035,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
27F	ST/1B		521	715,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
27G	1BR/1.5B		784	1,070,000	0.32823%	0.50470%	1,094.44	539.59	466.96	6,475	5,604	1,634.03	1,561.41
27H	1BR+/2B		1149	1,545,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
28A	1BR/1.5B		963	1,245,000	0.40317%	0.61993%	1,344.32	662.79	573.58	7,953	6,883	2,007.11	1,917.90
28B	1BR/1.5B		1066	1,325,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
28C	ST/1B		590	855,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
28D	1BR+/2B		1004	1,455,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
28E	1BR/1B		771	1,095,000	0.32278%	0.49633%	1,076.30	530.64	459.22	6,368	5,511	1,606.94	1,535.51
28F	ST/1B		518	825,000	0.21686%	0.33346%	723.11	356.51	308.53	4,278	3,702	1,079.63	1,031.64
28G	1BR/1.5B		787	1,180,000	0.32948%	0.50663%	1,098.63	541.65	468.75	6,500	5,625	1,640.28	1,567.38
28H	1BR+/2B		1124	1,560,000	0.47057%	0.72357%	1,569.07	773.59	669.47	9,283	8,034	2,342.67	2,238.55
PH1A	1BR/1.5B		964	1,300,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH1B	1BR/1.5B		1071	1,380,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH1C	2BR+/3B		1587	2,235,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH1D	1BR/1B		769	1,195,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH1E	ST/1B		516	785,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH1F	1BR/1.5B		785	1,165,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH1G	1BR+/2B		1125	1,710,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH2A	1BR/1.5B		964	1,310,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH2B	1BR/1.5B		1071	1,390,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH2C	2BR+/3B		1587	2,250,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH2D	1BR/1B		769	1,205,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH2E	ST/1B		516	795,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH2F	1BR/1.5B		785	1,175,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH2G	1BR+/2B		1125	1,725,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH3A	1BR/1.5B		964	1,320,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH3B	1BR/1.5B		1071	1,400,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH3C	2BR+/3B		1587	2,265,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH3D	1BR/1B		769	1,215,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH3E	ST/1B		516	805,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH3F	1BR/1.5B		785	1,185,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH3G	1BR+/2B		1125	1,740,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH4A	1BR/1.5B		964	1,330,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH4B	1BR/1.5B		1071	1,410,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH4C	2BR+/3B		1587	2,280,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH4D	1BR/1B		769	1,225,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH4E	ST/1B		516	815,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH4F	1BR/1.5B		785	1,195,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH4G	1BR+/2B		1125	1,755,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36

Setai Condominium Residences at 40 Broad Street 2/23/07 2:45 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
PH5A	3BR/3.5B		3424	6,750,000	1.43348%	2.20418%	4,779.81	3,539.37	3,782.81	42,472	45,394	8,319.18	8,562.62
PH5B	2BR+/3.5B		2361	4,250,000	0.98845%	1.51988%	3,295.89	2,440.55	2,608.41	29,287	31,301	5,736.44	5,904.30
Residential Unit Subtotals		**614**	**155,341**	**197,765,000**	**65.03460%**	**100.00000%**	**216,851.76**	**118,331.57**	**109,353.30**	**1,419,978.87**	**1,312,239.54**	**335,183.33**	**324,522.16**
Commercial Unit #1 (Garage)			6,500		2.72127%		2,228.91	2,291.67	2,291.67	27,500	27,500	4,520.58	4,520.58
Commercial Unit #2 (Retail)			4,505		1.88605%		1,544.81	5,772.61	5,772.61	69,271	69,271	7,317.42	7,317.42
Commercial Unit #3 (Retail)			1,218		0.50992%		417.66	1,560.72	1,560.72	18,729	18,729	1,978.38	1,978.38
Commercial Unit #4 (2nd and 3rd Floor)			23,489		9.83384%		8,054.60	15,616.67	15,616.67	187,400	187,400	23,671.27	23,671.27
Commercial Unit #5 (Floors 4-7)			47,806		20.01432%		16,445.05	31,566.67	31,566.67	378,800	378,800	48,011.71	48,011.71
Commercial Unit Subtotal			**83,518**				**28,691.03**	**56,808.33**	**56,808.33**	**681,700.00**	**681,700.00**	**85,499.36**	**85,499.36**
	TOTALS	**614**	**238,859**	**197,765,000**	**100.00000%**	**100.000000%**	**245,542.79**	**175,139.91**	**166,161.63**	**2,101,679**	**1,993,940**	**420,682.69**	**410,021.52**

*Unit 10A is for Resident Manager

SIXTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

THE SETAI CONDOMINIUM RESIDENCES
40 BROAD STREET
NEW YORK, NEW YORK 10004

Dated: February 9, 2007

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SIXTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
FOR
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

This Sixth Amendment (this "Amendment") modifies and supplements the terms of the Condominium Offering Plan for the premises known as The Setai Condominium Residences at 40 Broad Street, New York, New York 10004, first accepted for filing on November 24, 2006, as amended by the First Amendment dated November 29, 2006, the Second Amendment dated December 7, 2006, the Third Amendment dated December 28, 2006, the Fourth Amendment dated January 12, 2007 and the Fifth Amendment dated January 30, 2007 (as amended, the "Plan"), and is incorporated into and should be read in conjunction with the Plan.

The terms of this Sixth Amendment are as follows:

1. REVISED PURCHASE PRICES

Sponsor hereby increases the Purchase Prices for certain Residential Units as set forth on "Schedule A, Purchase Prices and Related Information," annexed hereto as Exhibit "A".

2. INCORPORATION OF THE PLAN

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

3. DEFINITIONS

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

4. NO MATERIAL CHANGES

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

Dated: February 9, 2007

SPONSOR:

40 BROAD LLC

EXHIBIT A

PURCHASE PRICES AND RELATED INFORMATION

Setai Condominium Residences at 40 Broad Street

2/6/07 1:02 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
*10A	1BR/1B		845	865,000	0.35377%	0.54396%	1,179.60	581.57	503.30	6,979	6,040	1,761.17	1,682.89
10B	1BR/1B		718	830,000	0.30060%	0.46221%	1,002.31	494.16	427.65	5,930	5,132	1,496.47	1,429.96
11A	1BR/1.5B		931	980,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
11B	1BR/1.5B		859	985,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
11C	ST/1B		581	670,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
11D	1BR/1.5B		823	910,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
11E	1BR+/2B		1100	1,265,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
11F	ST/1B		613	665,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
11G	1BR/1B		739	880,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
11H	1BR+/2B		1338	1,430,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
12A	1BR/1.5B		931	990,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
12B	1BR/1.5B		859	995,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
12C	ST/1B		581	675,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
12D	1BR/1.5B		823	920,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
12E	1BR+/2B		1100	1,280,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
12F	ST/1B		613	670,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
12G	1BR/1B		739	890,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
12H	1BR+/2B		1338	1,445,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
14A	1BR/1.5B		931	1,000,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
14B	1BR/1.5B		859	1,005,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
14C	ST/1B		581	680,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
14D	1BR/1.5B		823	930,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
14E	1BR+/2B		1100	1,295,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
14F	ST/1B		613	675,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
14G	1BR/1B		739	900,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
14H	1BR+/2B		1338	1,460,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
15A	1BR/1.5B		932	1,010,000	0.39019%	0.59997%	1,301.05	641.45	555.11	7,697	6,661	1,942.50	1,856.16
15B	2BR/2B		1123	1,205,000	0.47015%	0.72293%	1,567.68	772.91	668.88	9,275	8,027	2,340.58	2,236.55
15C	1BR+/2B		1161	1,295,000	0.48606%	0.74739%	1,620.72	799.06	691.51	9,589	8,298	2,419.78	2,312.23
15D	1BR/1.5B		943	925,000	0.39479%	0.60705%	1,316.40	649.02	561.67	7,788	6,740	1,965.42	1,878.07
15E	ST/1B		475	650,000	0.19886%	0.30578%	663.09	326.92	282.92	3,923	3,395	990.01	946.00
15F	1BR/1B		674	820,000	0.28217%	0.43388%	940.89	463.88	401.44	5,567	4,817	1,404.77	1,342.33
15G	1BR+/2B		1338	1,445,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
16A	1BR/1.5B		930	1,060,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
16B	1BR/1.5B		1066	1,140,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
16C	ST/1B		582	685,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
16D	1BR/1.5B		826	955,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
16E	1BR+/2B		1115	1,320,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
16F	1BR/1.5B		934	1,060,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
16G	ST/1B		570	675,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
16H	1BR+/2B		1337	1,485,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
17A	1BR/1.5B		930	1,065,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
17B	1BR/1.5B		1066	1,145,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
17C	ST/1B		582	690,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
17D	1BR/1.5B		826	960,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
17E	1BR+/2B		1115	1,335,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
17F	1BR/1.5B		934	1,065,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
17G	ST/1B		570	680,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
17H	1BR+/2B		1337	1,500,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
18A	1BR/1.5B		930	1,070,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
18B	1BR/1.5B		1066	1,150,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
18C	ST/1B		582	695,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
18D	1BR/1.5B		826	965,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
18E	1BR+/2B		1115	1,350,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
18F	1BR/1.5B		934	1,070,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14

Setai Condominium Residences at 40 Broad Street — 2/9/07 1:02 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
18G	ST/1B		570	685,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
18H	1BR+/2B		1337	1,515,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
19A	1BR/1.5B		930	1,075,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
19B	1BR/1.5B		1066	1,155,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
19C	ST/1B		582	700,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
19D	1BR/1.5B		826	970,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
19E	1BR+/2B		1115	1,365,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
19F	1BR/1.5B		934	1,075,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
19G	ST/1B		570	690,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
19H	1BR+/2B		1337	1,530,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
20A	1BR/1.5B		930	1,080,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
20B	1BR/1.5B		1066	1,160,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
20C	ST/1B		582	705,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
20D	1BR/1.5B		826	975,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
20E	1BR+/2B		1115	1,380,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
20F	1BR/1.5B		934	1,080,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
20G	ST/1B		570	695,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
20H	1BR+/2B		1337	1,545,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
21A	1BR/1.5B		930	1,085,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
21B	1BR/1.5B		1066	1,165,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
21C	ST/1B		582	710,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
21D	1BR/1.5B		826	980,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
21E	1BR+/2B		1115	1,395,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
21F	1BR/1.5B		934	1,085,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
21G	ST/1B		570	700,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
21H	1BR+/2B		1337	1,560,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
22A	1BR/1.5B		930	1,090,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
22B	1BR/1.5B		1066	1,170,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
22C	ST/1B		582	715,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
22D	1BR/1.5B		826	985,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
22E	1BR+/2B		1115	1,410,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
22F	1BR/1.5B		934	1,090,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
22G	ST/1B		570	705,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
22H	1BR+/2B		1337	1,575,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
23A	1BR/1.5B		930	1,095,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
23B	1BR/1.5B		1066	1,175,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
23C	ST/1B		582	720,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
23D	1BR/1.5B		826	990,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
23E	1BR+/2B		1115	1,425,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
23F	1BR/1.5B		934	1,095,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
23G	ST/1B		570	710,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
23H	1BR+/2B		1337	1,590,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
24A	1BR/1B		950	1,090,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
24B	1BR+/1.5B		1066	1,185,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
24C	ST/1B		590	735,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
24D	1BR+/2B		1004	1,295,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
24E	1BR/1B T	135	772	1,105,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
24F	ST/1B T	135	521	760,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
24G	1BR/1.5B T	144	824	1,140,000	0.34497%	0.53045%	1,150.28	567.12	490.79	6,805	5,889	1,717.40	1,641.07
24H	1BR+/2B T	200	1149	1,550,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
25A	1BR/1B		950	1,100,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
25B	1BR/1.5B		1066	1,195,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
25C	ST/1B		590	745,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
25D	1BR+/2B		1004	1,310,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
25E	1BR/1B		772	1,015,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51

Detail Condominium Residences at 40 Broad Street 2/9/07 1:02 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
25F	ST/1B		521	695,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
25G	1BR/1.5B		824	1,050,000	0.34497%	0.53045%	1,150.28	567.12	490.79	6,805	5,889	1,717.40	1,641.07
25H	1BR+/2B		1149	1,415,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
26A	1BR/1B		950	1,110,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
26B	1BR/1.5B		1066	1,205,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
26C	ST/1B		590	765,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
26D	1BR+/2B		1004	1,325,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
26E	1BR/1B		772	1,025,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
26F	ST/1B		521	705,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
26G	1BR/1.5B		784	1,060,000	0.32823%	0.50470%	1,094.44	539.59	466.96	6,475	5,604	1,634.03	1,561.41
26H	1BR+/2B		1149	1,430,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
27A	1BR/1B		950	1,120,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
27B	1BR/1.5B		1066	1,215,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
27C	ST/1B		590	765,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
27D	1BR+/2B		1004	1,340,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
27E	1BR/1B		772	1,035,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
27F	ST/1B		521	715,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
27G	1BR/1.5B		784	1,070,000	0.32823%	0.50470%	1,094.44	539.59	466.96	6,475	5,604	1,634.03	1,561.41
27H	1BR+/2B		1149	1,445,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
28A	1BR/1.5B		963	1,245,000	0.40317%	0.61993%	1,344.32	662.79	573.58	7,953	6,883	2,007.11	1,917.90
28B	1BR/1.5B		1066	1,325,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
28C	ST/1B		590	855,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
28D	1BR+/2B		1004	1,455,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
28E	1BR/1B		771	1,095,000	0.32278%	0.49633%	1,076.30	530.64	459.22	6,368	5,511	1,606.94	1,535.51
28F	ST/1B		518	825,000	0.21686%	0.33346%	723.11	356.51	308.53	4,278	3,702	1,079.63	1,031.64
28G	1BR/1.5B		787	1,180,000	0.32948%	0.50663%	1,098.63	541.65	468.75	6,500	5,625	1,640.28	1,567.38
28H	1BR+/2B		1124	1,460,000	0.47057%	0.72357%	1,569.07	773.59	669.47	9,283	8,034	2,342.67	2,238.55
PH1A	1BR/1.5B		964	1,300,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH1B	1BR/1.5B		1071	1,380,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH1C	2BR+/3B		1587	2,235,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH1D	1BR/1B		769	1,195,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH1E	ST/1B		516	785,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH1F	1BR/1.5B		785	1,165,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH1G	1BR+/2B		1125	1,610,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH2A	1BR/1.5B		964	1,310,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH2B	1BR/1.5B		1071	1,390,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH2C	2BR+/3B		1587	2,250,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH2D	1BR/1B		769	1,205,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH2E	ST/1B		516	795,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH2F	1BR/1.5B		785	1,175,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH2G	1BR+/2B		1125	1,625,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH3A	1BR/1.5B		964	1,320,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH3B	1BR/1.5B		1071	1,400,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH3C	2BR+/3B		1587	2,265,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH3D	1BR/1B		769	1,215,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH3E	ST/1B		516	805,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH3F	1BR/1.5B		785	1,185,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH3G	1BR+/2B		1125	1,640,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH4A	1BR/1.5B		964	1,330,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH4B	1BR/1.5B		1071	1,410,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH4C	2BR+/3B		1587	2,280,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH4D	1BR/1B		769	1,225,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH4E	ST/1B		516	815,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH4F	1BR/1.5B		785	1,195,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH4G	1BR+/2B		1125	1,655,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36

ietal Condominium Residences at 40 Broad Street 2/9/07 1:02 PM

ichedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Numbe Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
PH5A	3BR/3.5B		3424	6,750,000	1.43348%	2.20418%	4,779.81	3,539.37	3,782.81	42,472	45,394	8,319.18	8,562.62
PH5B	2BR+/3.5B		2361	4,250,000	0.98845%	1.51988%	3,295.89	2,440.55	2,608.41	29,287	31,301	5,736.44	5,904.30
esidential Unit Subtotals		**614**	**155,341**	**195,665,000**	**65.03460%**	**100.00000%**	**216,851.76**	**118,331.57**	**109,353.30**	**1,419,978.87**	**1,312,239.54**	**335,183.33**	**324,522.16**
ommercial Unit #1 (Garage)			6,500		2.72127%		2,228.91	2,291.67	2,291.67	27,500	27,500	4,520.58	4,520.58
ommercial Unit #2 (Retail)			4,505		1.88605%		1,544.81	5,772.61	5,772.61	69,271	69,271	7,317.42	7,317.42
ommercial Unit #3 (Retail)			1,218		0.50992%		417.66	1,560.72	1,560.72	18,729	18,729	1,978.38	1,978.38
ommercial Unit #4 (2nd and 3rd Floor)			23,489		9.83384%		8,054.60	15,616.67	15,616.67	187,400	187,400	23,671.27	23,671.27
ommercial Unit #5 (Floors 4-7)			47,806		20.01432%		16,445.05	31,566.67	31,566.67	378,800	378,800	48,011.71	48,011.71
ommercial Unit Subtotal			**83,518**				**28,691.03**	**56,808.33**	**56,808.33**	**681,700.00**	**681,700.00**	**85,499.36**	**85,499.36**
	TOTALS	**614**	**238,859**	**195,665,000**	**100.00000%**	**100.000000%**	**245,542.79**	**175,139.91**	**166,161.63**	**2,101,679**	**1,993,940**	**420,682.69**	**410,021.52**

Jnit 10A is for Resident Manager

FIFTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

THE SETAI CONDOMINIUM RESIDENCES
40 BROAD STREET
NEW YORK, NEW YORK 10004

Dated: January 30, 2007

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FIFTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
FOR
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

This Fifth Amendment (this "Amendment") modifies and supplements the terms of the Condominium Offering Plan for the premises known as The Setai Condominium Residences at 40 Broad Street, New York, New York 10004, first accepted for filing on November 24, 2006, as amended by the First Amendment dated November 29, 2006, the Second Amendment dated December 7, 2006 and the Third Amendment dated December 28, 2006 and the Fourth Amendment dated January 12, 2007 (as amended, the "Plan"), and is incorporated into and should be read in conjunction with the Plan.

The terms of this Fifth Amendment are as follows:

1. REVISED PURCHASE PRICES

Sponsor hereby increases the Purchase Prices for certain Residential Units as set forth on "Schedule A, Purchase Prices and Related Information," annexed hereto as Exhibit "A".

2. INCORPORATION OF THE PLAN

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

3. DEFINITIONS

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

4. NO MATERIAL CHANGES

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

Dated: January 30, 2007

SPONSOR:

40 BROAD LLC

EXHIBIT A

PURCHASE PRICES AND RELATED INFORMATION

Setai Condominium Residences at 40 Broad Street 1/25/07 12:24 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Tota Monthly Charges with 421-g and 421-a (7) (8)
*10A	1BR/1B		845	865,000	0.35377%	0.54396%	1,179.60	581.57	503.30	6,979	6,040	1,761.17	1,682.89
10B	1BR/1B		718	810,000	0.30060%	0.46221%	1,002.31	494.16	427.65	5,930	5,132	1,496.47	1,429.96
11A	1BR/1.5B		931	950,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
11B	1BR/1.5B		859	965,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
11C	ST/1B		581	650,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
11D	1BR/1.5B		823	880,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
11E	1BR+/2B		1100	1,240,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
11F	ST/1B		613	645,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
11G	1BR/1B		739	860,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
11H	1BR+/2B		1338	1,405,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
12A	1BR/1.5B		931	960,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
12B	1BR/1.5B		859	975,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
12C	ST/1B		581	655,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
12D	1BR/1.5B		823	890,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
12E	1BR+/2B		1100	1,255,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
12F	ST/1B		613	650,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
12G	1BR/1B		739	870,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
12H	1BR+/2B		1338	1,420,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
14A	1BR/1.5B		931	970,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
14B	1BR/1.5B		859	985,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
14C	ST/1B		581	660,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
14D	1BR/1.5B		823	900,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
14E	1BR+/2B		1100	1,270,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
14F	ST/1B		613	655,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
14G	1BR/1B		739	880,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
14H	1BR+/2B		1338	1,435,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
15A	1BR/1.5B		932	980,000	0.39019%	0.59997%	1,301.05	641.45	555.11	7,697	6,661	1,942.50	1,856.16
15B	2BR/2B		1123	1,185,000	0.47015%	0.72293%	1,567.68	772.91	668.88	9,275	8,027	2,340.58	2,236.55
15C	1BR+/2B		1161	1,270,000	0.48606%	0.74739%	1,620.72	799.06	691.51	9,589	8,298	2,419.78	2,312.23
15D	1BR/1.5B		943	895,000	0.39479%	0.60705%	1,316.40	649.02	561.67	7,788	6,740	1,965.42	1,878.07
15E	ST/1B		475	650,000	0.19886%	0.30578%	663.09	326.92	282.92	3,923	3,395	990.01	946.00
15F	1BR/1B		674	800,000	0.28217%	0.43388%	940.89	463.88	401.44	5,567	4,817	1,404.77	1,342.33
15G	1BR+/2B		1338	1,425,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
16A	1BR/1.5B		930	1,025,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
16B	1BR/1.5B		1066	1,105,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
16C	ST/1B		582	675,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
16D	1BR/1.5B		826	920,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
16E	1BR+/2B		1115	1,300,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
16F	1BR/1.5B		934	1,025,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
16G	ST/1B		570	675,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
16H	1BR+/2B		1337	1,465,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
17A	1BR/1.5B		930	1,035,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
17B	1BR/1.5B		1066	1,115,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
17C	ST/1B		582	680,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
17D	1BR/1.5B		826	930,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
17E	1BR+/2B		1115	1,315,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
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17H	1BR+/2B		1337	1,480,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
18A	1BR/1.5B		930	1,045,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
18B	1BR/1.5B		1066	1,125,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
18C	ST/1B		582	685,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
18D	1BR/1.5B		826	940,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
18E	1BR+/2B		1115	1,330,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
18F	1BR/1.5B		934	1,045,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14

Setai Condominium Residences at 40 Broad Street 1/25/07 12:24 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Tota Monthly Charges with 421-g and 421-a (7) (8)
18G	ST/1B		570	685,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
18H	1BR+/2B		1337	1,495,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
19A	1BR/1.5B		930	1,055,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
19B	1BR/1.5B		1066	1,135,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
19C	ST/1B		582	690,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
19D	1BR/1.5B		826	950,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
19E	1BR+/2B		1115	1,345,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
19F	1BR/1.5B		934	1,055,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
19G	ST/1B		570	690,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
19H	1BR+/2B		1337	1,510,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
20A	1BR/1.5B		930	1,065,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
20B	1BR/1.5B		1066	1,145,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
20C	ST/1B		582	695,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
20D	1BR/1.5B		826	960,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
20E	1BR+/2B		1115	1,360,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
20F	1BR/1.5B		934	1,065,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
20G	ST/1B		570	695,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
20H	1BR+/2B		1337	1,525,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
21A	1BR/1.5B		930	1,075,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
21B	1BR/1.5B		1066	1,155,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
21C	ST/1B		582	700,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
21D	1BR/1.5B		826	970,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
21E	1BR+/2B		1115	1,375,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
21F	1BR/1.5B		934	1,075,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
21G	ST/1B		570	700,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
21H	1BR+/2B		1337	1,540,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
22A	1BR/1.5B		930	1,085,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
22B	1BR/1.5B		1066	1,165,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
22C	ST/1B		582	705,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
22D	1BR/1.5B		826	980,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
22E	1BR+/2B		1115	1,390,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
22F	1BR/1.5B		934	1,085,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
22G	ST/1B		570	705,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
22H	1BR+/2B		1337	1,555,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
23A	1BR/1.5B		930	1,095,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
23B	1BR/1.5B		1066	1,175,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
23C	ST/1B		582	710,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
23D	1BR/1.5B		826	990,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
23E	1BR+/2B		1115	1,405,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
23F	1BR/1.5B		934	1,095,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
23G	ST/1B		570	710,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
23H	1BR+/2B		1337	1,570,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
24A	1BR/1B		950	1,090,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
24B	1BR+/1.5B		1066	1,185,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
24C	ST/1B		590	715,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
24D	1BR+/2B		1004	1,295,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
24E	1BR/1B T	135	772	1,105,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
24F	ST/1B T	135	521	760,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
24G	1BR/1.5B T	144	824	1,140,000	0.34497%	0.53045%	1,150.28	567.12	490.79	6,805	5,889	1,717.40	1,641.07
24H	1BR+/2B T	200	1149	1,530,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
25A	1BR/1B		950	1,100,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
25B	1BR/1.5B		1066	1,195,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
25C	ST/1B		590	725,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
25D	1BR+/2B		1004	1,310,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
25E	1BR/1B		772	1,015,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51

Setal Condominium Residences at 40 Broad Street 1/25/07 12:24 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
25F	ST/1B		521	695,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
25G	1BR/1.5B		824	1,050,000	0.34497%	0.53045%	1,150.28	567.12	490.79	6,805	5,889	1,717.40	1,641.07
25H	1BR+/2B		1149	1,395,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
26A	1BR/1B		950	1,110,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
26B	1BR/1.5B		1066	1,205,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
26C	ST/1B		590	735,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
26D	1BR+/2B		1004	1,325,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
26E	1BR/1B		772	1,025,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
26F	ST/1B		521	705,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
26G	1BR/1.5B		784	1,060,000	0.32823%	0.50470%	1,094.44	539.59	466.96	6,475	5,604	1,634.03	1,561.41
26H	1BR+/2B		1149	1,410,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
27A	1BR/1B		950	1,120,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
27B	1BR/1.5B		1066	1,215,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
27C	ST/1B		590	745,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
27D	1BR+/2B		1004	1,340,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
27E	1BR/1B		772	1,035,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
27F	ST/1B		521	715,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
27G	1BR/1.5B		784	1,070,000	0.32823%	0.50470%	1,094.44	539.59	466.96	6,475	5,604	1,634.03	1,561.41
27H	1BR+/2B		1149	1,425,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
28A	1BR/1.5B		963	1,145,000	0.40317%	0.61993%	1,344.32	662.79	573.58	7,953	6,883	2,007.11	1,917.90
28B	1BR/1.5B		1066	1,225,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
28C	ST/1B		590	755,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
28D	1BR+/2B		1004	1,355,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
28E	1BR/1B		771	1,045,000	0.32278%	0.49633%	1,076.30	530.64	459.22	6,368	5,511	1,606.94	1,535.51
28F	ST/1B		518	725,000	0.21686%	0.33346%	723.11	356.51	308.53	4,278	3,702	1,079.63	1,031.64
28G	1BR/1.5B		787	1,080,000	0.32948%	0.50663%	1,098.63	541.65	468.75	6,500	5,625	1,640.28	1,567.38
28H	1BR+/2B		1124	1,440,000	0.47057%	0.72357%	1,569.07	773.59	669.47	9,283	8,034	2,342.67	2,238.55
PH1A	1BR/1.5B		964	1,200,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH1B	1BR/1.5B		1071	1,280,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH1C	2BR+/3B		1587	2,135,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH1D	1BR/1B		769	1,095,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH1E	ST/1B		516	765,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH1F	1BR/1.5B		785	1,065,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH1G	1BR+/2B		1125	1,510,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH2A	1BR/1.5B		964	1,210,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH2B	1BR/1.5B		1071	1,290,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH2C	2BR+/3B		1587	2,150,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH2D	1BR/1B		769	1,105,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH2E	ST/1B		516	775,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH2F	1BR/1.5B		785	1,075,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH2G	1BR+/2B		1125	1,525,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH3A	1BR/1.5B		964	1,220,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH3B	1BR/1.5B		1071	1,300,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH3C	2BR+/3B		1587	2,165,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH3D	1BR/1B		769	1,115,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH3E	ST/1B		516	785,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH3F	1BR/1.5B		785	1,085,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH3G	1BR+/2B		1125	1,540,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH4A	1BR/1.5B		964	1,230,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH4B	1BR/1.5B		1071	1,310,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH4C	2BR+/3B		1587	2,180,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH4D	1BR/1B		769	1,125,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH4E	ST/1B		516	795,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH4F	1BR/1.5B		785	1,095,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH4G	1BR+/2B		1125	1,555,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36

Setai Condominium Residences at 40 Broad Street 1/25/07 12:24 PM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Tota Monthly Charges with 421-g and 421-a (7) (8)
PH5A	3BR/3.5B		3424	6,750,000	1.43348%	2.20418%	4,779.81	3,539.37	3,782.81	42,472	45,394	8,319.18	8,562.62
PH5B	2BR+/3.5B		2361	4,250,000	0.98845%	1.51988%	3,295.89	2,440.55	2,608.41	29,287	31,301	5,736.44	5,904.30
Residential Unit Subtotals		**614**	**155,341**	**190,660,000**	**65.03460%**	**100.00000%**	**216,851.76**	**118,331.57**	**109,353.30**	**1,419,978.87**	**1,312,239.54**	**335,183.33**	**324,522.16**
Commercial Unit #1 (Garage)			6,500		2.72127%		2,228.91	2,291.67	2,291.67	27,500	27,500	4,520.58	4,520.58
Commercial Unit #2 (Retail)			4,505		1.88605%		1,544.81	5,772.61	5,772.61	69,271	69,271	7,317.42	7,317.42
Commercial Unit #3 (Retail)			1,218		0.50992%		417.66	1,560.72	1,560.72	18,729	18,729	1,978.38	1,978.38
Commercial Unit #4 (2nd and 3rd Floor)			23,489		9.83384%		8,054.60	15,616.67	15,616.67	187,400	187,400	23,671.27	23,671.27
Commercial Unit #5 (Floors 4-7)			47,806		20.01432%		16,445.05	31,566.67	31,566.67	378,800	378,800	48,011.71	48,011.71
Commercial Unit Subtotal			**83,518**				**28,691.03**	**56,808.33**	**56,808.33**	**681,700.00**	**681,700.00**	**85,499.36**	**85,499.36**
	TOTALS	**614**	**238,859**	**190,660,000**	**100.00000%**	**100.000000%**	**245,542.79**	**175,139.91**	**166,161.63**	**2,101,679**	**1,993,940**	**420,682.69**	**410,021.52**

*Unit 10A is for Resident Manager

FOURTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
FOR
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

This Fourth Amendment (this "Amendment") modifies and supplements the terms of the Condominium Offering Plan for the premises known as The Setai Condominium Residences at 40 Broad Street, New York, New York 10004, first accepted for filing on November 24, 2006, as amended by the First Amendment dated November 29, 2006, the Second Amendment dated December 7, 2006 and the Third Amendment dated December 28, 2006 (as amended, the "Plan"), and is incorporated into and should be read in conjunction with the Plan. The terms of this Fourth Amendment are as follows:

1. Purpose of Amendment

The purpose of this amendment is to disclose a change of the attorneys representing the Sponsor and the Escrow Agent.

2. Revision to Identity of Parties

a. Sponsor has retained the law firm of Wolf Haldenstein Adler Freeman & Herz LLP having an office at 270 Madison Avenue, New York, NY 10016 ("Sponsor's Counsel"). Sponsor's Counsel will serve as Escrow Agent under the Purchase Agreements and will represent Sponsor in connection with Unit closings.

b. Kramer Levin Naftalis & Frankel LLP will no longer represent Sponsor in this transaction.

3. Change in Escrow Agent

The term "Escrow Agent" as used in the Plan shall now mean Wolf Haldenstien Adler Freeman & Herz LLP, the Escrow Agent, whose address is 270 Madison Avenue, New York, New York 10016, and whose telephone number is 212-545-4600. The signatories on the Escrow Account authorized to withdraw funds are any one of Stuart M. Saft, Jeffrey M. Schwartz and Jeffrey S. Reich. The name of the Escrow Account will be "Wolf Haldenstein Adler Freeman & Herz LLP Attorney Escrow Account - Setai Condominium Residences" or similar name, located at Commerce Bank, N.A., 317 Madison Avenue, New York, New York 10017 (the "Bank"). A copy of the Escrow Agreement between Sponsor and the Escrow Agent is attached hereto as Exhibit A.

4. Definitions

Except as herein defined, all capitalized terms used in this Amendment which are

defined in the Plan shall have the respective meaning ascribed to such terms in the Plan.

5. Incorporation of the Plan

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

6. No Material Changes in the Plan

There have been no material changes in the Plan except as set forth in this Amendment. The Plan, as hereby amended, does not knowingly omit any material fact.

Dated: January 12, 2007

40 BROAD LLC, SPONSOR

ESCROW AGREEMENT FOR OFFERING PLAN

AGREEMENT made this 12th day of January, 2007, between 40 Broad LLC ("SPONSOR"), as sponsor of the Offering Plan (defined below) and Wolf Haldenstein Adler Freeman & Herz LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the sponsor of an offering plan for premises known as 40 Broad Street, New York, New York (the "Offering Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits 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.

a. ESCROW AGENT has established a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposit" or "Deposits") made by purchasers or subscribers ("Purchasers", and individually a "Purchaser") pursuant to the Offering Plan at Commerce Bank, at its branch located at 317 Madison Avenue, New York, New York 10017 entitled "Wolf Haldenstein Adler Freeman & Herz LLP Attorney Escrow Account - Setai Condominium Residences" (the "Master Escrow Account").

b. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. At such time as ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow 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.

c. Partners or attorneys employed by ESCROW AGENT are the sole signatories on the Master Escrow Account.

d. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

e. 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.

a. 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 "Wolf Haldenstein Adler Freeman & Herz LLP, as Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

b. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Contract of Sale"), ESCROW AGENT shall notify the Purchaser of the deposit of such funds in the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Contract of Sale and rescind within ninety (90) days after tender of the Deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Attorney General's regulations and requisite notice was timely mailed to the Purchaser.

C RELEASE OF FUNDS.

a. Consummation of the Offering Plan does not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

b. 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.

c. 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.

d. 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.

e. 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.

a. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven years after release of the funds.

b. 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.

c. 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.

a. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

b. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

c. 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.

d. 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.

e. 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.

f. 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.

a. 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.

b. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.

c. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Contract of Sale.

G TERMINATION OF AGREEMENT.

a. 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.

b. 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: Wolf Haldenstein Adler Freeman & Herz LLP

By: _____
Name: Jeffrey M. Schwartz
Title: Partner

SPONSOR: 40 Broad LLC

By: _____
Name: Asher R. Zamir
Title: Authorized Signatory

THIRD AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
FOR
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

This Third Amendment (this "Amendment") modifies and supplements the terms of the Condominium Offering Plan for the premises known as The Setai Condominium Residences at 40 Broad Street, 40 Broad Street, New York, New York 10004, first accepted for filing on November 24, 2006 (as previously amended, the "Plan"), and is incorporated into and should be read in conjunction with the Plan. The terms of this Amendment are as follows:

1. **Purpose of Amendment**

The purpose of this amendment is to make certain revisions to Schedule A of the Plan, to revise certain Unit Floor Plans and to add Floor Plans for certain Units owned by 40 Broad LLC ("Sponsor").

2. **Revision to Schedule A as to Certain Residential Units**

a. Schedule A of the Plan is hereby amended to revise the number of bathrooms indicated thereon for Residential Units 11A, 11B, 11D, 12A, 12B, 12D, 14A, 14B, 14D, 15A, 15D, 16A, 16D, 16F, 17A, 17D, 17F, 18A, 18D, 18F, 19A, 19D, 19F, 20A, 20D, 20F, 21A, 21D, 21F, 22A, 22D, 22F, 23A, 23D, 23F, 24G, 25G, 27G, 28A, 28G, PH1A, PH1C, PH1F, PH2A, PH2C, PH2F, PH3A, PH3C, PH3F, PH4A, PH4C, PH4F, PH5A and PH5B.

b. Schedule A of the Plan is hereby amended to revise the number of bedrooms indicated thereon for Residential Unit 28.

c. Schedule A of the Plan is hereby amended to remove the reference to private terraces for Residential Units PH5A and PH5B.

d. Schedule A of the Plan is hereby amended to correct all information contained thereon pertaining to Residential Unit 10A and 10B.

e. A new Schedule A reflecting such revisions, removal and correction as set forth in subparagraphs a, b, c and d above is attached hereto as Exhibit A and is hereby substituted for the prior Schedule A of the Plan.

3. **Revision and Addition of Unit Floor Plans**

a. The Floor Plans for Units 15D, Residence A PH1 – PH4, Residence B PH1 – PH4, Residence C, PH1 – PH4, Residence D PH1 – PH4, Residence E PH1 – PH4,

Residence F PH1 – PH4, and Residence G PH1- PH4, that are part of Exhibit 6 of Part II of the Plan are hereby deleted.

b. Revised Floor Plans for Units 15D, Residence A PH1 – PH4, Residence B PH1 – PH4, Residence C, PH1 – PH4, Residence D PH1 – PH4, Residence E PH1 – PH4, Residence F PH1 – PH4, and Residence G PH1- PH4 are hereby added to Exhibit 6 of Part II of the Plan as replacements for such Floor Plans as deleted in subparagraph a. above. A copy of revised Floor Plans for each of such replacements is attached hereto as Exhibit B.

c. Floor Plans for Units Residence A PH5 and Residence B PH5 are hereby added to and made a part of Exhibit 6 of Part II of the Plan. A copy of each of such Floor Plans is attached hereto as Exhibit C.

4. **Definitions**

Except as herein defined, all capitalized terms used in this Amendment which are defined in the Plan shall have the respective meaning ascribed to such terms in the Plan.

5. **Incorporation of the Plan**

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

6. **No Material Changes in the Plan**

There have been no material changes in the Plan except as set forth in this Amendment. The Plan, as hereby amended, does not knowingly omit any material fact.

Dated: December ___, 2006

40 BROAD LLC

EXHIBIT A

REVISED SCHEDULE A

Setai Condominium Residences at 40 Broad Street 12/7/06 11:38 AM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
*10A	1BR/1B		845	865,000	0.35377%	0.54386%	1,179.60	581.57	503.30	6,979	6,040	1,761.17	1,682.89
10B	1BR/1B		718	810,000	0.30060%	0.46221%	1,002.31	494.16	427.65	5,930	5,132	1,496.47	1,429.96
11A	1BR/1.5B		931	950,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
11B	1BR/1.5B		859	965,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
11C	ST/1B		581	850,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
11D	1BR/1.5B		823	880,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
11E	1BR+/2B		1100	1,240,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
11F	ST/1B		613	645,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
11G	1BR/1B		739	860,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
11H	1BR+/2B		1338	1,385,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
12A	1BR/1.5B		931	960,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
12B	1BR/1.5B		859	975,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
12C	ST/1B		581	855,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
12D	1BR/1.5B		823	890,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
12E	1BR+/2B		1100	1,255,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
12F	ST/1B		613	650,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
12G	1BR/1B		739	870,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
12H	1BR+/2B		1338	1,400,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
14A	1BR/1.5B		931	970,000	0.38977%	0.59933%	1,299.65	640.76	554.52	7,689	6,654	1,940.41	1,854.17
14B	1BR/1.5B		859	985,000	0.35963%	0.55298%	1,199.14	591.21	511.63	7,094	6,140	1,790.35	1,710.77
14C	ST/1B		581	660,000	0.24324%	0.37402%	811.06	399.87	346.05	4,798	4,153	1,210.93	1,157.11
14D	1BR/1.5B		823	900,000	0.34455%	0.52980%	1,148.89	566.43	490.19	6,797	5,882	1,715.32	1,639.08
14E	1BR+/2B		1100	1,270,000	0.46052%	0.70812%	1,535.57	757.08	655.18	9,085	7,862	2,292.65	2,190.75
14F	ST/1B		613	655,000	0.25664%	0.39462%	855.73	421.90	365.11	5,063	4,381	1,277.63	1,220.84
14G	1BR/1B		739	880,000	0.30939%	0.47573%	1,031.62	508.62	440.16	6,103	5,282	1,540.24	1,471.78
14H	1BR+/2B		1338	1,415,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
15A	1BR/1.5B		932	980,000	0.39019%	0.59997%	1,301.05	641.45	555.11	7,697	6,661	1,942.50	1,856.16
15B	2BR/2B		1123	1,185,000	0.47015%	0.72293%	1,567.68	772.91	668.88	9,275	8,027	2,340.58	2,236.55
15C	1BR+/2B		1161	1,270,000	0.48606%	0.74739%	1,620.72	799.06	691.51	9,589	8,298	2,419.78	2,312.23
15D	1BR/1.5B		943	895,000	0.39479%	0.60705%	1,316.40	649.02	561.67	7,788	6,740	1,965.42	1,878.07
15E	ST/1B		475	650,000	0.19886%	0.30578%	663.09	326.92	282.92	3,923	3,395	990.01	946.00
15F	1BR/1B		674	800,000	0.28217%	0.43386%	940.69	463.88	401.44	5,567	4,817	1,404.77	1,342.33
15G	1BR+/2B		1338	1,405,000	0.56016%	0.86133%	1,867.81	920.88	796.93	11,051	9,563	2,788.69	2,664.74
16A	1BR/1.5B		930	1,025,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
16B	1BR/1.5B		1066	1,105,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
16C	ST/1B		582	675,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
16D	1BR/1.5B		826	920,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
16E	1BR+/2B		1115	1,300,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
16F	1BR/1.5B		934	1,025,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
16G	ST/1B		570	675,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
16H	1BR+/2B		1337	1,445,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
17A	1BR/1.5B		930	1,035,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
17B	1BR/1.5B		1066	1,115,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
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18A	1BR/1.5B		930	1,045,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
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Setal Condominium Residences at 40 Broad Street 12/7/06 11:35 AM

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21G	ST/1B		570	700,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
21H	1BR+/2B		1337	1,520,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
22A	1BR/1.5B		930	1,085,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
22B	1BR/1.5B		1066	1,165,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
22C	ST/1B		582	705,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
22D	1BR/1.5B		826	980,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
22E	1BR+/2B		1115	1,390,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
22F	1BR/1.5B		934	1,085,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
22G	ST/1B		570	705,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
22H	1BR+/2B		1337	1,535,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
23A	1BR/1.5B		930	1,095,000	0.38935%	0.59868%	1,298.25	640.07	553.92	7,681	6,647	1,938.33	1,852.18
23B	1BR/1.5B		1066	1,175,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
23C	ST/1B		582	710,000	0.24366%	0.37466%	812.46	400.56	346.65	4,807	4,160	1,213.02	1,159.10
23D	1BR/1.5B		826	990,000	0.34581%	0.53173%	1,153.07	568.50	491.98	6,822	5,904	1,721.57	1,645.05
23E	1BR+/2B		1115	1,405,000	0.46680%	0.71778%	1,556.51	767.40	664.11	9,209	7,969	2,323.91	2,220.62
23F	1BR/1.5B		934	1,095,000	0.39103%	0.60126%	1,303.84	642.83	556.30	7,714	6,676	1,946.67	1,860.14
23G	ST/1B		570	710,000	0.23863%	0.36693%	795.70	392.30	339.50	4,708	4,074	1,188.01	1,135.21
23H	1BR+/2B		1337	1,550,000	0.55974%	0.86069%	1,866.42	920.19	796.34	11,042	9,556	2,786.61	2,662.75
24A	1BR/1B		950	1,090,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
24B	1BR+/1.5B		1066	1,185,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
24C	ST/1B		590	715,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
24D	1BR+/2B		1004	1,295,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.56
24E	1BR/1B T	135	772	1,105,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
24F	ST/1B T	135	521	760,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
24G	1BR/1.5B T	144	824	1,140,000	0.34497%	0.53045%	1,150.28	567.12	490.79	6,805	5,889	1,717.40	1,641.07
24H	1BR+/2B T	200	1149	1,510,000	0.48104%	0.73986%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
25A	1BR/1B		950	1,100,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
25B	1BR/1.5B		1066	1,195,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
25C	ST/1B		590	725,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
25D	1BR+/2B		1004	1,310,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.56
25E	1BR/1B		772	1,015,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51

Setai Condominium Residences at 40 Broad Street 12/7/06 11:36 AM

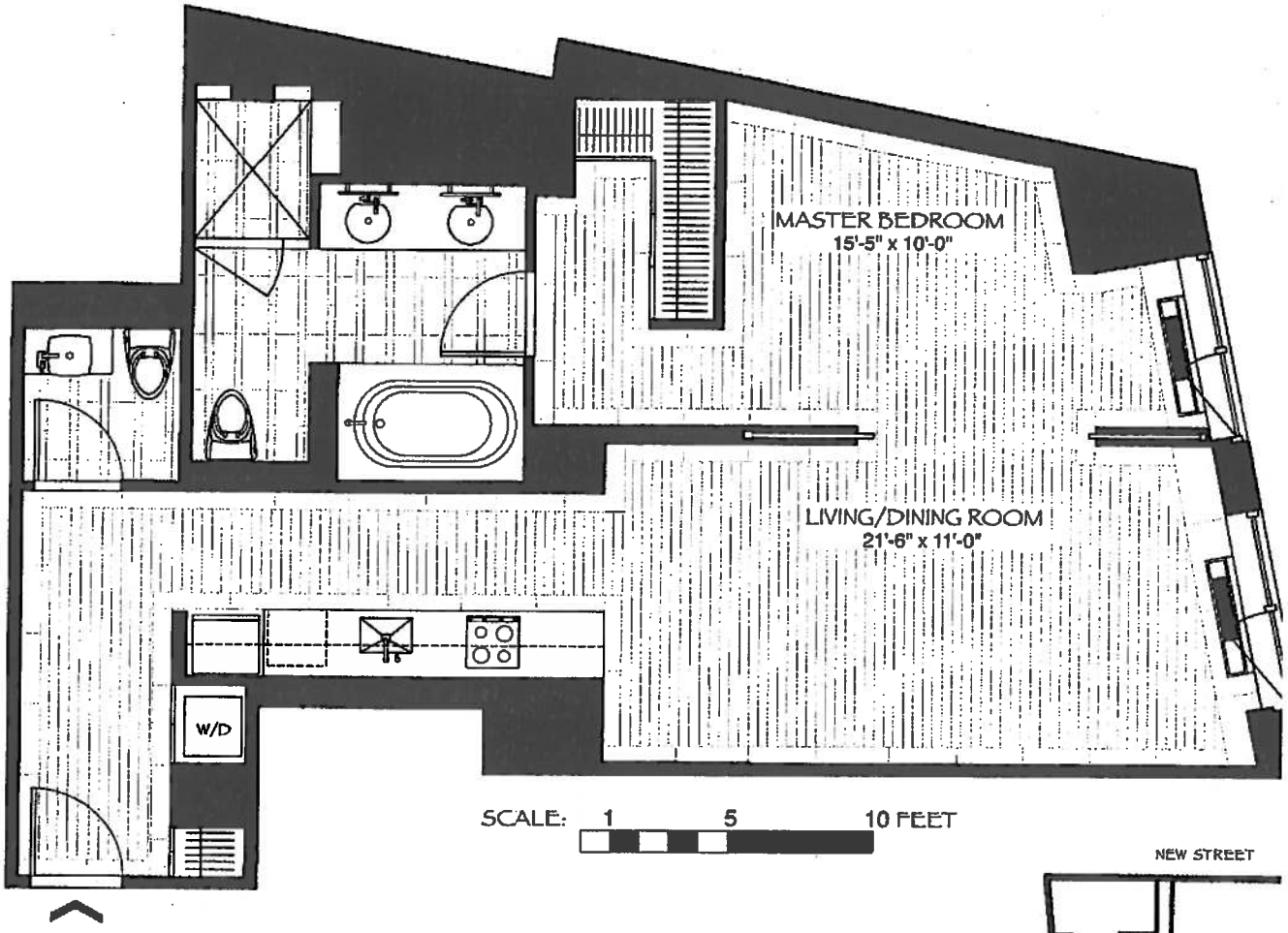
Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

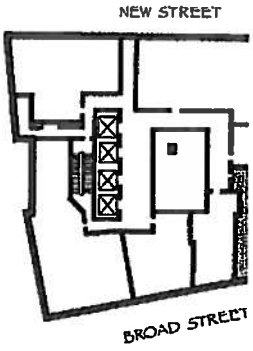
Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
25F	ST/1B		521	695,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
25G	1BR/1.5B		824	1,050,000	0.34497%	0.53045%	1,150.28	567.12	490.79	6,805	5,889	1,717.40	1,641.07
25H	1BR+/2B		1149	1,375,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
26A	1BR/1B		950	1,110,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
26B	1BR/1.5B		1066	1,205,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
26C	ST/1B		590	735,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
26D	1BR+/2B		1004	1,325,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
26E	1BR/1B		772	1,025,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
26F	ST/1B		521	705,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
26G	1BR/1.5B		784	1,060,000	0.32823%	0.50470%	1,094.44	539.59	466.96	6,475	5,604	1,634.03	1,561.41
26H	1BR+/2B		1149	1,390,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
27A	1BR/1B		950	1,120,000	0.39772%	0.61156%	1,326.17	653.84	565.83	7,846	6,790	1,980.01	1,892.01
27B	1BR/1.5B		1066	1,215,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
27C	ST/1B		590	745,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
27D	1BR+/2B		1004	1,340,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
27E	1BR/1B		772	1,035,000	0.32320%	0.49697%	1,077.69	531.33	459.82	6,376	5,518	1,609.02	1,537.51
27F	ST/1B		521	715,000	0.21812%	0.33539%	727.30	358.58	310.32	4,303	3,724	1,085.88	1,037.62
27G	1BR/1.5B		784	1,070,000	0.32823%	0.50470%	1,094.44	539.59	466.96	6,475	5,604	1,634.03	1,561.41
27H	1BR+/2B		1149	1,405,000	0.48104%	0.73966%	1,603.97	790.80	684.36	9,490	8,212	2,394.77	2,288.33
28A	1BR/1.5B		963	1,145,000	0.40317%	0.61993%	1,344.32	662.79	573.58	7,953	6,883	2,007.11	1,917.90
28B	1BR/1.5B		1066	1,225,000	0.44629%	0.68623%	1,488.11	733.68	634.93	8,804	7,619	2,221.78	2,123.03
28C	ST/1B		590	755,000	0.24701%	0.37981%	823.62	406.07	351.41	4,873	4,217	1,229.69	1,175.04
28D	1BR+/2B		1004	1,355,000	0.42033%	0.64632%	1,401.56	691.00	598.00	8,292	7,176	2,092.56	1,999.55
28E	1BR/1B		771	1,045,000	0.32278%	0.49633%	1,076.30	530.64	459.22	6,368	5,511	1,606.94	1,535.51
28F	ST/1B		518	725,000	0.21686%	0.33346%	723.11	356.51	308.53	4,278	3,702	1,079.63	1,031.64
28G	1BR/1.5B		787	1,080,000	0.32948%	0.50663%	1,098.63	541.65	468.75	6,500	5,625	1,640.28	1,567.38
28H	1BR+/2B		1124	1,420,000	0.47057%	0.72357%	1,568.07	773.59	669.47	9,283	8,034	2,342.67	2,238.55
PH1A	1BR/1.5B		964	1,200,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH1B	1BR/1.5B		1071	1,280,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH1C	2BR+/3B		1587	2,135,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH1D	1BR/1B		769	1,095,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH1E	ST/1B		516	765,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH1F	1BR/1.5B		785	1,065,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH1G	1BR+/2B		1125	1,490,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH2A	1BR/1.5B		964	1,210,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH2B	1BR/1.5B		1071	1,290,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH2C	2BR+/3B		1587	2,150,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH2D	1BR/1B		769	1,105,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH2E	ST/1B		516	775,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH2F	1BR/1.5B		785	1,075,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH2G	1BR+/2B		1125	1,505,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH3A	1BR/1.5B		964	1,220,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH3B	1BR/1.5B		1071	1,300,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH3C	2BR+/3B		1587	2,165,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH3D	1BR/1B		769	1,115,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH3E	ST/1B		516	785,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH3F	1BR/1.5B		785	1,085,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH3G	1BR+/2B		1125	1,520,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH4A	1BR/1.5B		964	1,230,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH4B	1BR/1.5B		1071	1,310,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH4C	2BR+/3B		1587	2,180,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH4D	1BR/1B		769	1,125,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH4E	ST/1B		516	795,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH4F	1BR/1.5B		785	1,095,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH4G	1BR+/2B		1125	1,535,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36

Setal Condominium Residences at 40 Broad Street							12/7/06 11:36 AM						
Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)													
Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7) (8)
PH5A	3BR/3.5B		3424	8,750,000	1.43348%	2.20418%	4,779.81	3,539.37	3,782.81	42,472	45,394	8,319.18	8,562.62
PH5B	2BR+/3.5B		2361	4,250,000	0.98845%	1.51988%	3,295.89	2,440.55	2,608.41	29,287	31,301	5,736.44	5,904.30
Residential Unit Subtotals		614	155,341	190,240,000	65.03460%	100.00000%	216,851.76	118,331.57	109,353.30	1,419,978.87	1,312,239.54	335,183.33	324,522.16
Commercial Unit #1 (Garage)			6,500		2.72127%		2,228.91	2,291.67	2,291.67	27,500	27,500	4,520.58	4,520.58
Commercial Unit #2 (Retail)			4,505		1.88605%		1,544.81	5,772.61	5,772.61	69,271	69,271	7,317.42	7,317.42
Commercial Unit #3 (Retail)			1,218		0.50992%		417.66	1,560.72	1,560.72	18,729	18,729	1,978.38	1,978.38
Commercial Unit #4 (2nd and 3rd Floor)			23,489		9.83384%		8,054.60	15,616.67	15,616.67	187,400	187,400	23,671.27	23,671.27
Commercial Unit #5 (Floors 4-7)			47,806		20.01432%		16,445.05	31,566.67	31,566.67	378,800	378,800	48,011.71	48,011.71
Commercial Unit Subtotal			83,518				28,691.03	56,808.33	56,808.33	681,700.00	681,700.00	85,499.36	85,499.36
	TOTALS	614	238,859	190,240,000	100.00000%	100.000000%	245,542.79	175,139.91	166,161.63	2,101,679	1,993,940	420,682.69	410,021.52
*Unit 10A is for Resident Manager													

EXHIBIT B

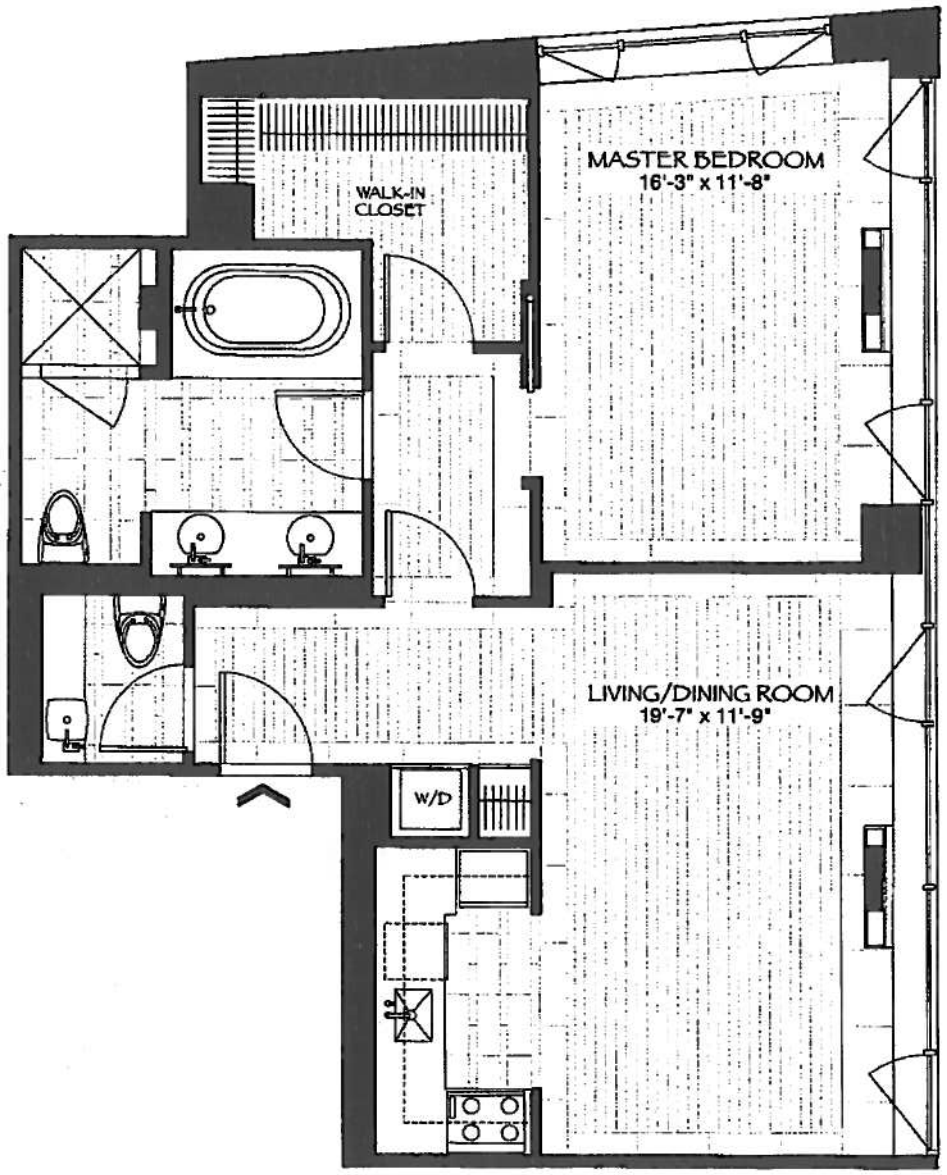
REVISED FLOOR PLANS





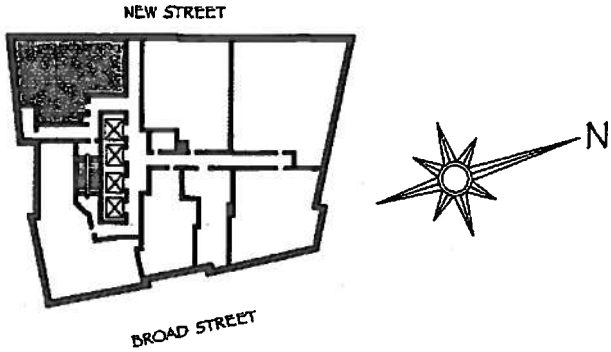
THE SETAI, NEW YORK
RESIDENCE D
15th FLOOR
1 BEDROOM, 1 1/2 BATHS

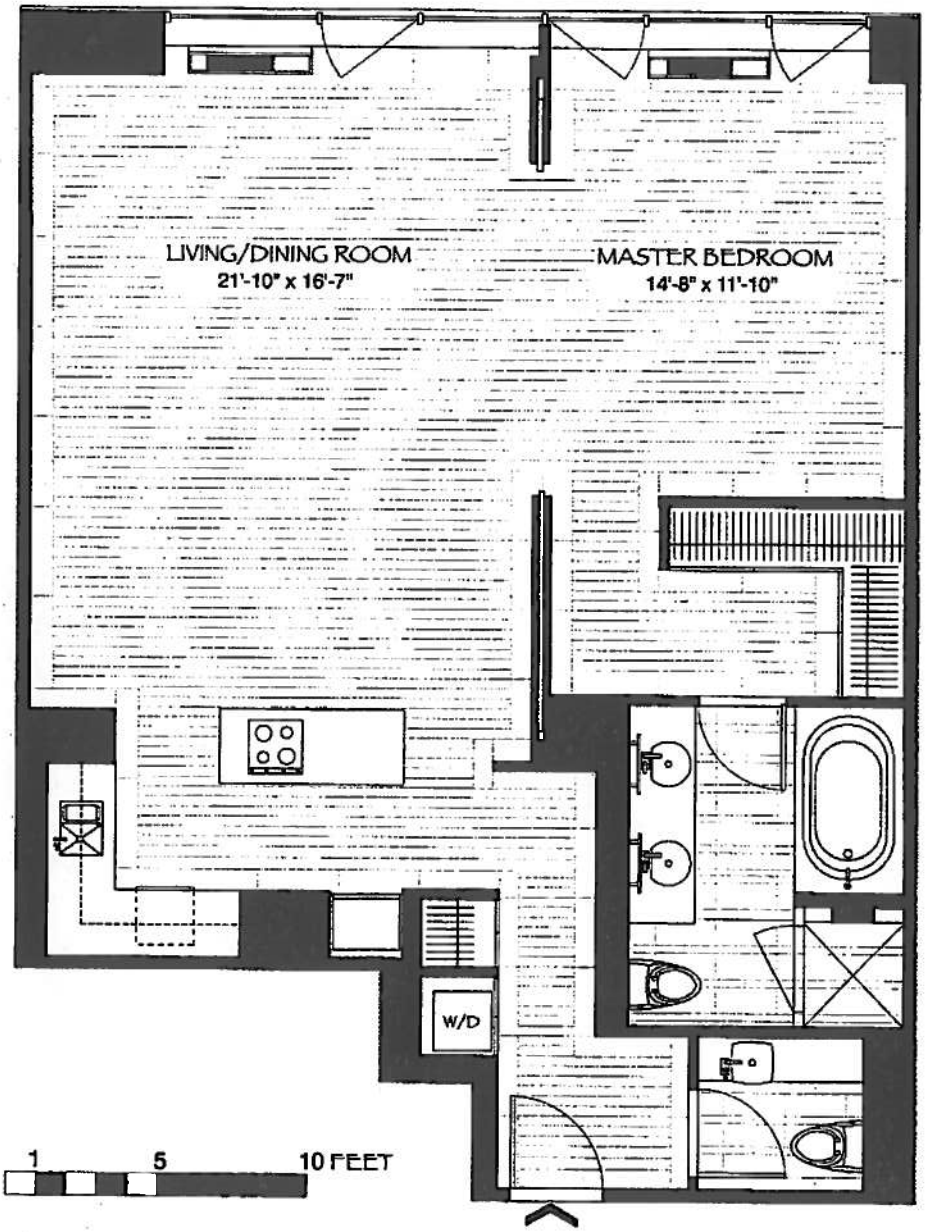
REV. 11/1/06
REV. 11/7/06



THE SETAI, NEW YORK
RESIDENCE A
PH1-PH4
1 BEDROOM, 1 1/2 BATHS

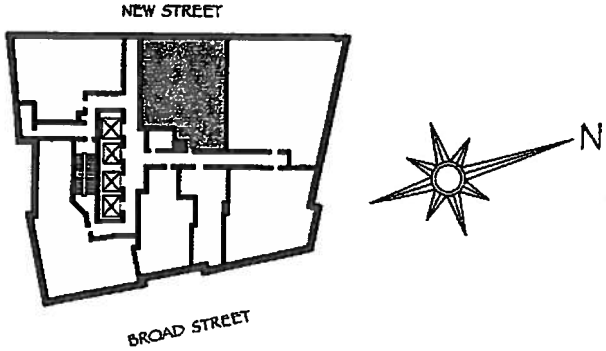
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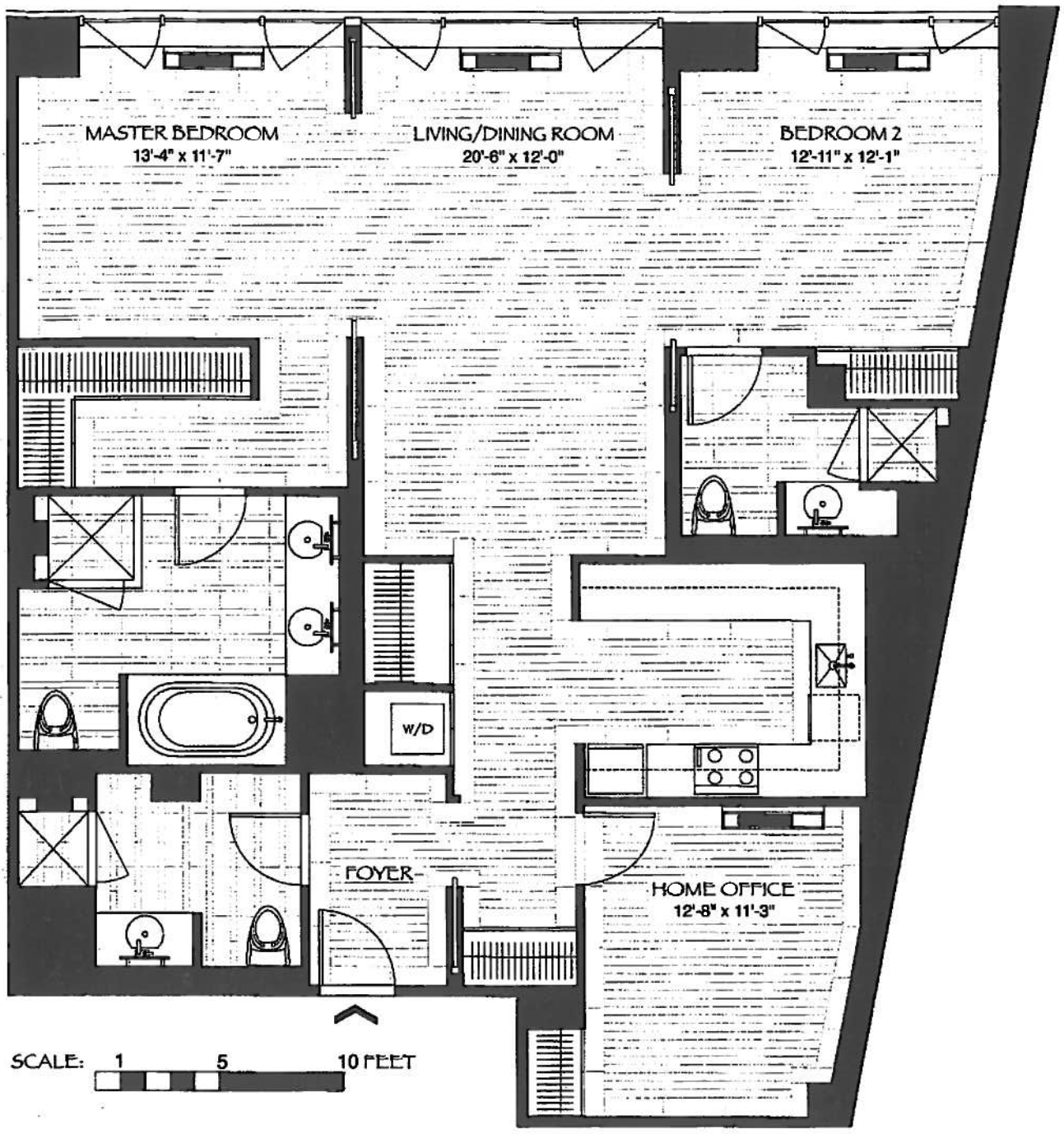


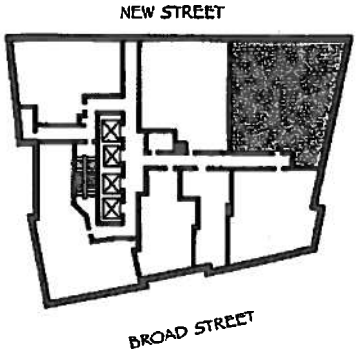


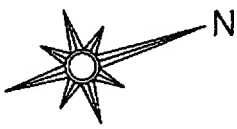
THE SETAI, NEW YORK
RESIDENCE B
PH1-PH4
1 BEDROOM, 1 1/2 BATHS

REV. 10/3/06



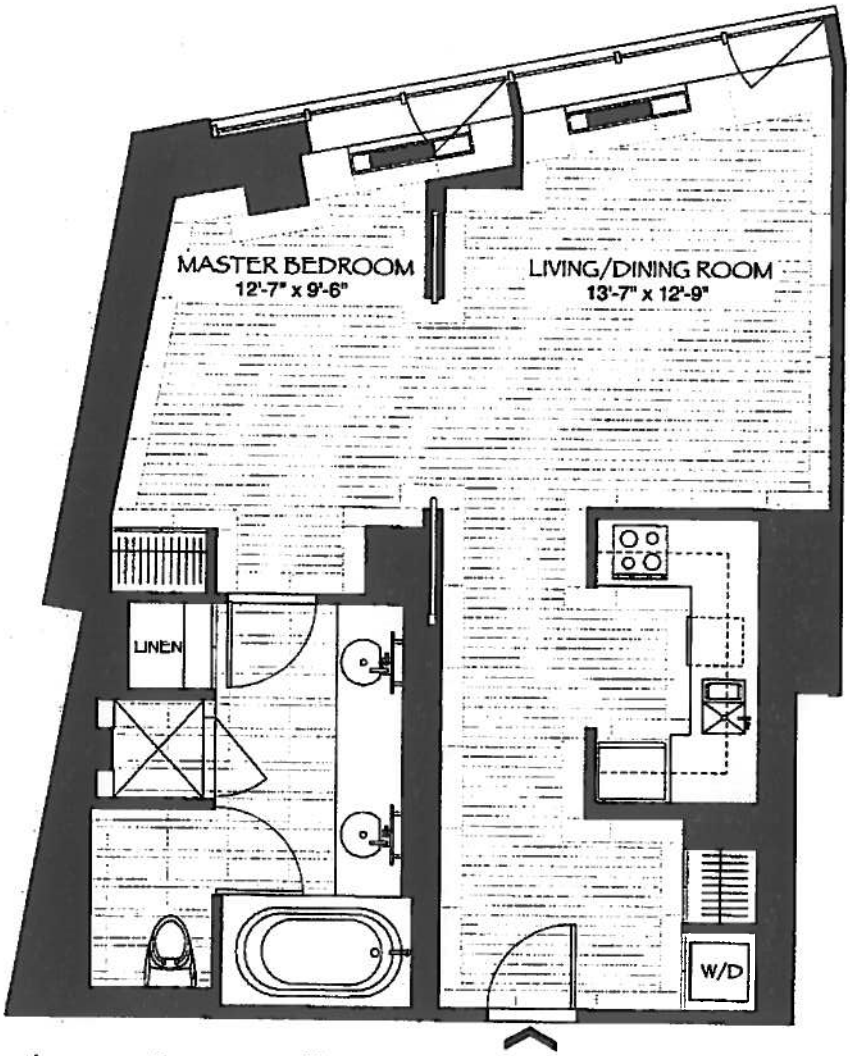






THE SETAI, NEW YORK
RESIDENCE C
PH1-PH4
2 BEDROOMS, HOME OFFICE, 3 BATHS

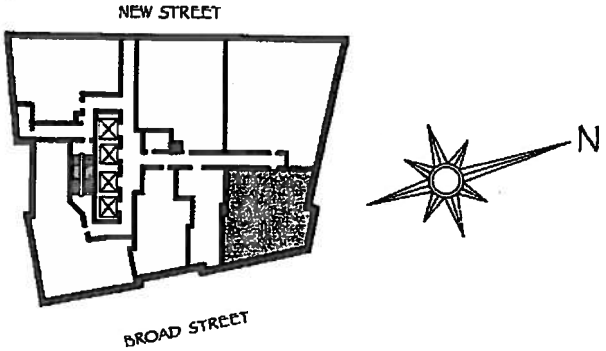
REV. 10/3/06
REV. 10/24/06
REV. 10/25/06

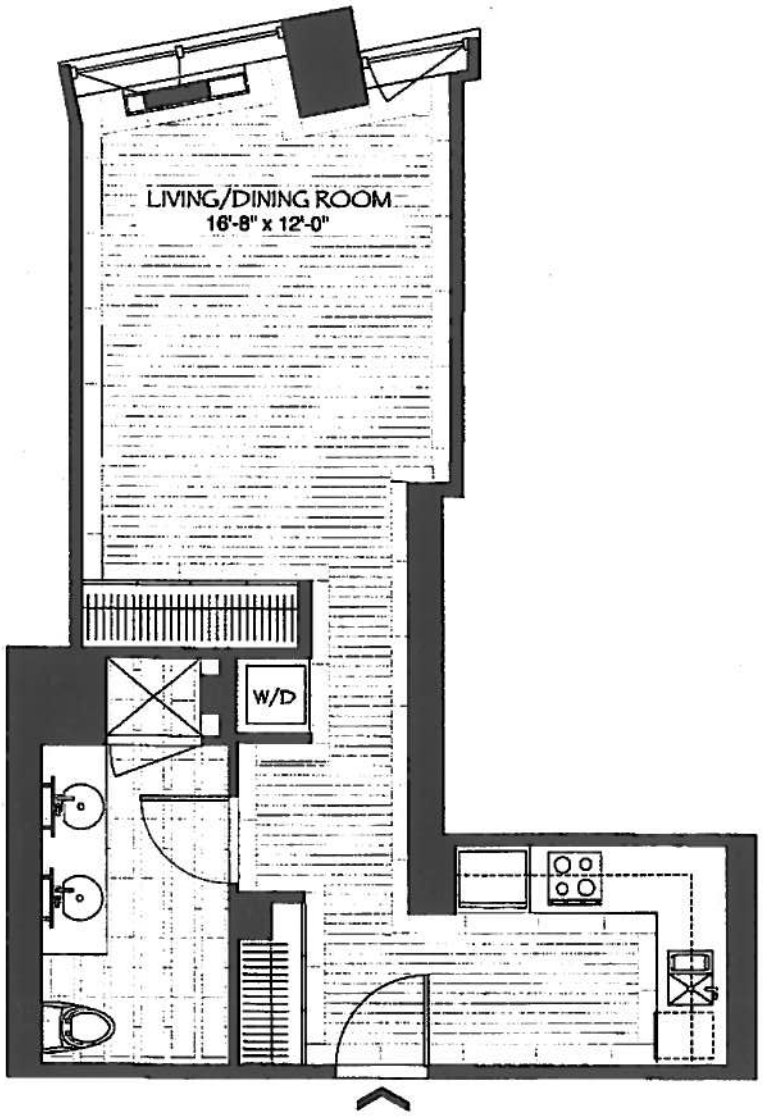


SCALE: 1 5 10 FEET

THE SETAI, NEW YORK
RESIDENCE D
PH1-PH4
1 BEDROOM, 1 BATH

REV. 10/3/06
REV. 11/7/06

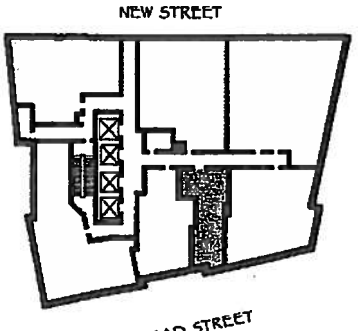


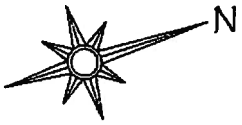


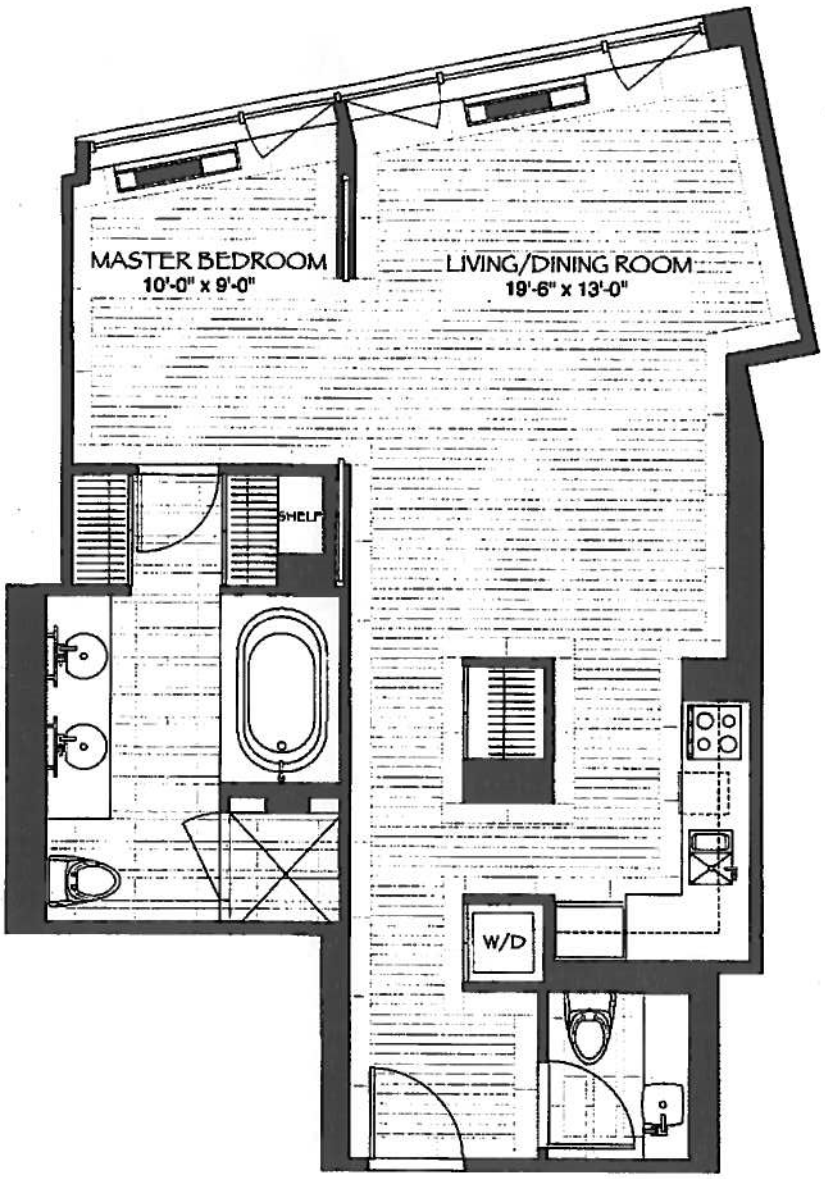
SCALE: 1 5 10 FEET

THE SETAI, NEW YORK
RESIDENCE E
PH1-PH4
STUDIO, 1 BATH

REV. 10/3/06



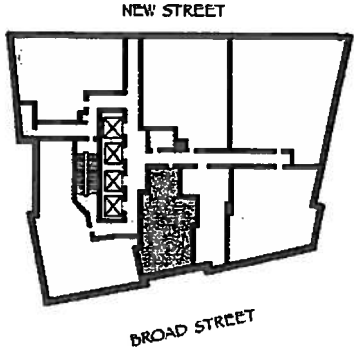


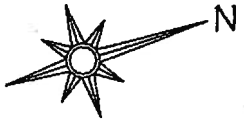


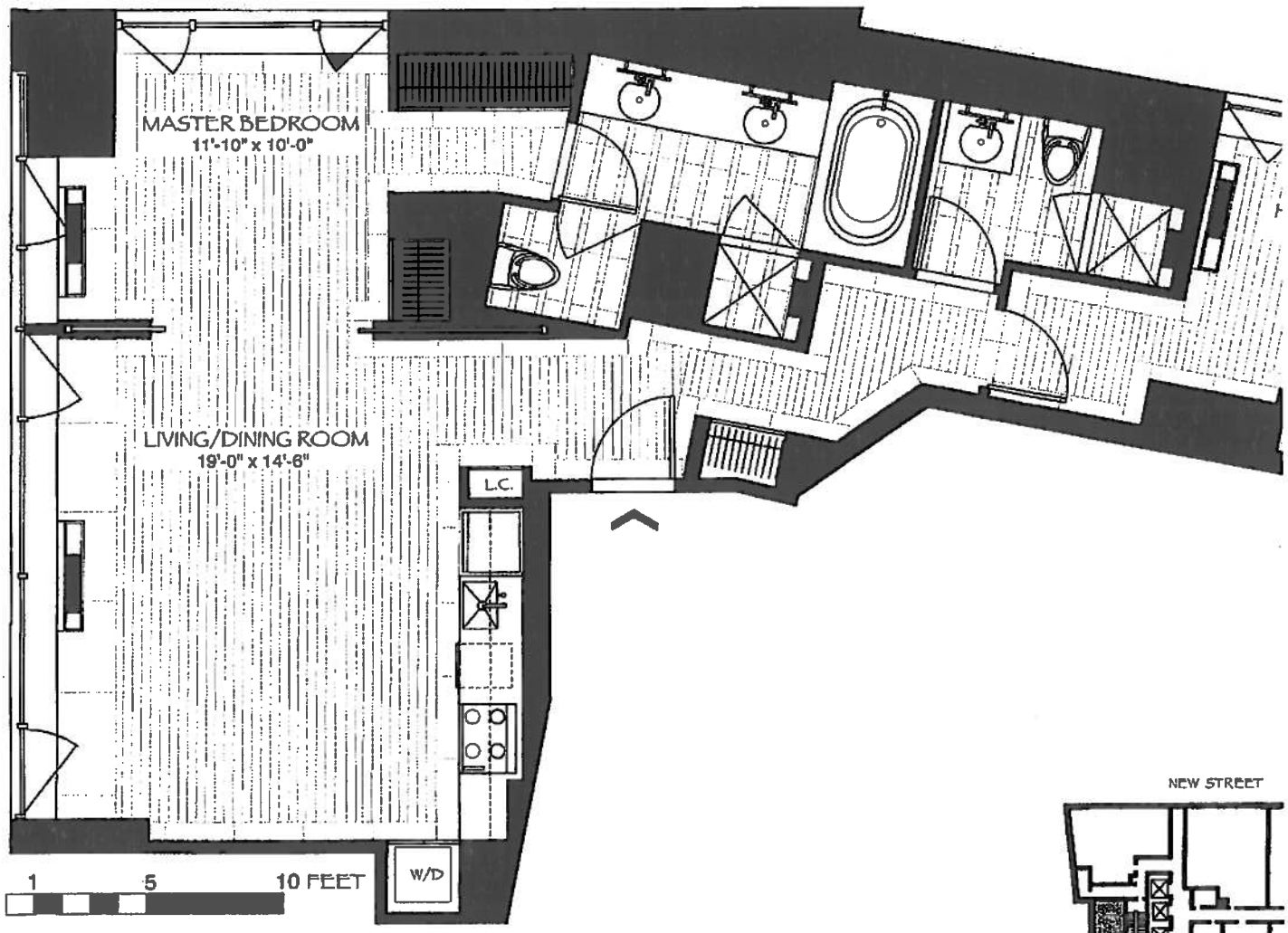
SCALE: 1 5 10 FEET

THE SETAI, NEW YORK
RESIDENCE F
PH1-PH4
1 BEDROOM, 1 1/2 BATHS

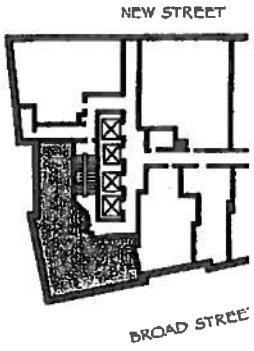
REV. 10/3/06
REV. 10/16/06







SCALE: 1 5 10 FEET

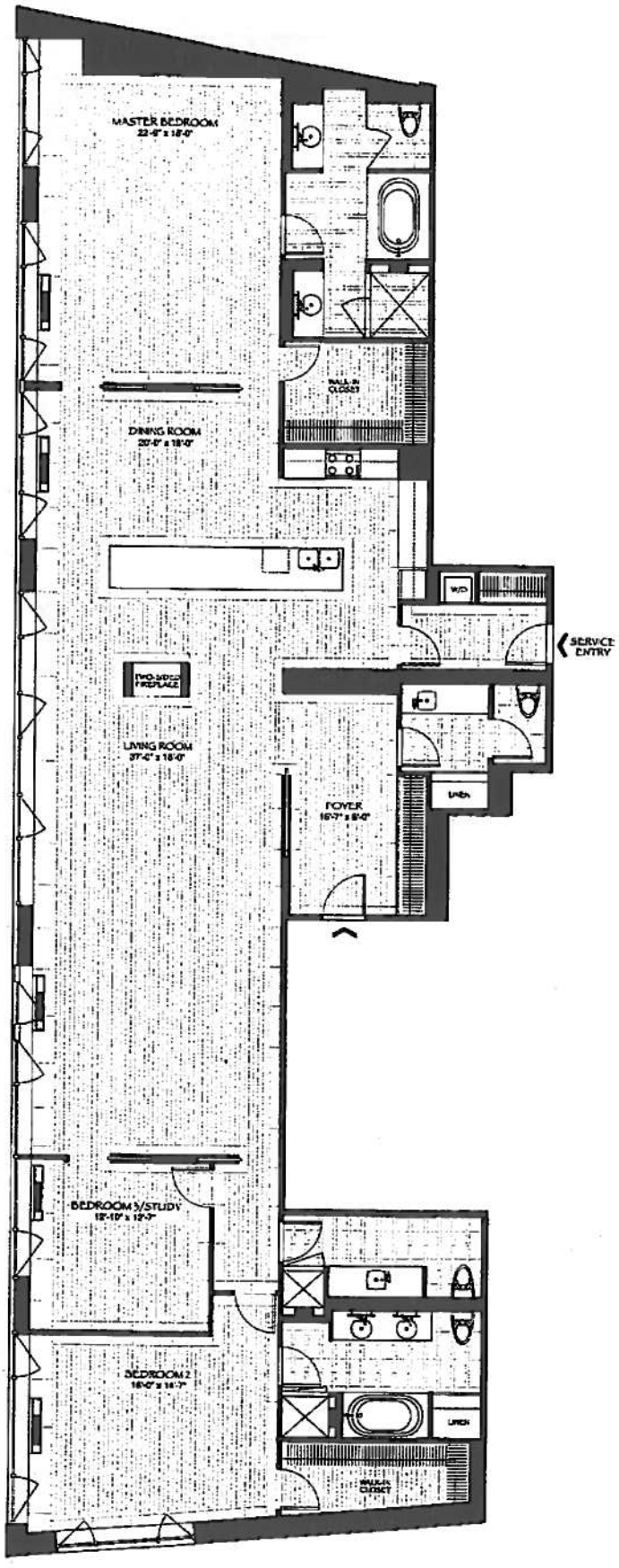


THE SETAI, NEW YORK
RESIDENCE G
PH1-PH4
1 BEDROOM, HOME OFFICE, 2 BATHS
REV. 10/3/06

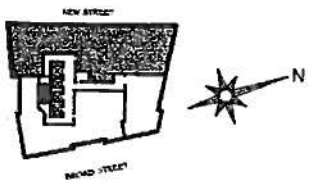
EXHIBIT C

FLOOR PLANS

UNITS RESIDENCE A PH5 AND RESIDENCE B PH5

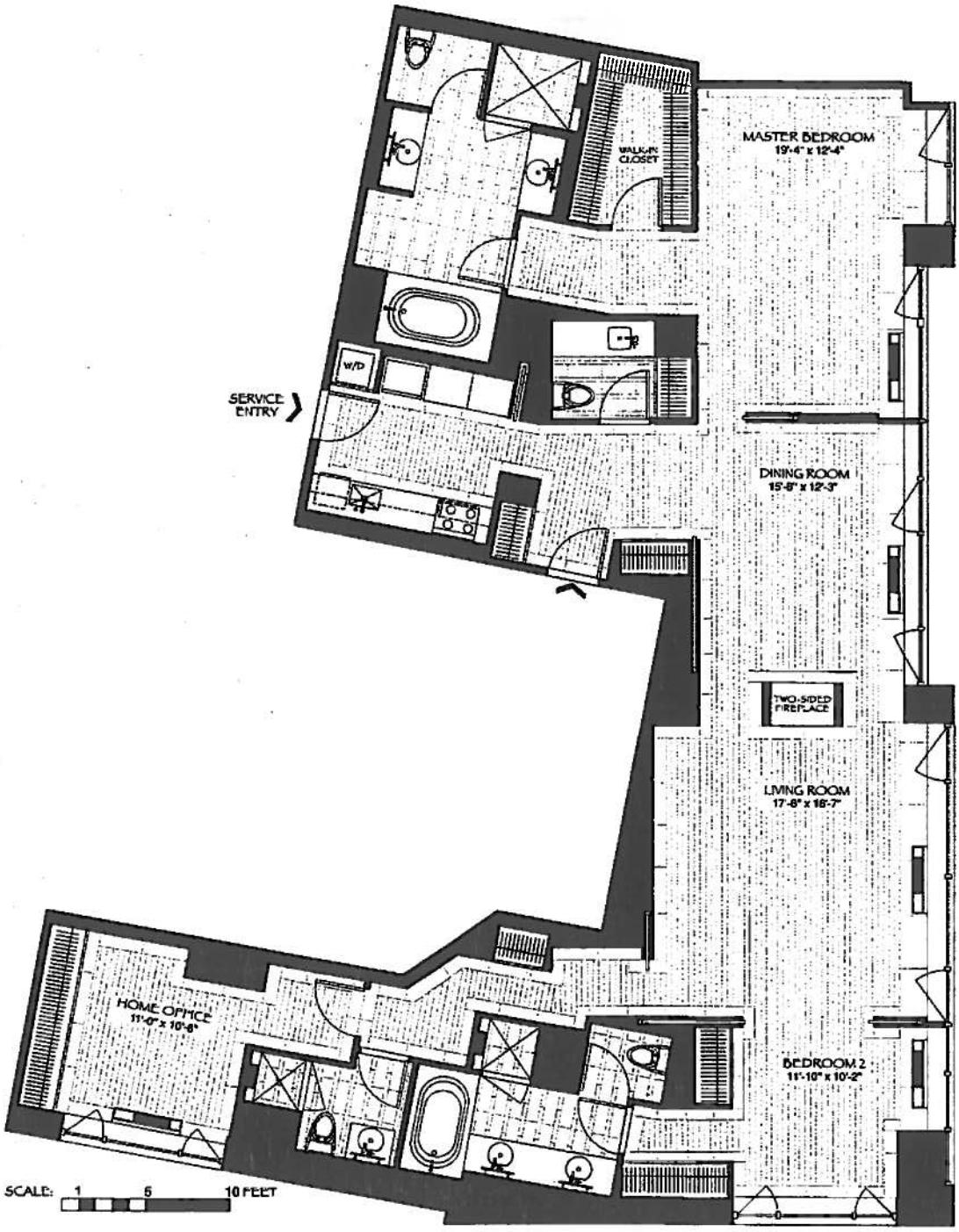


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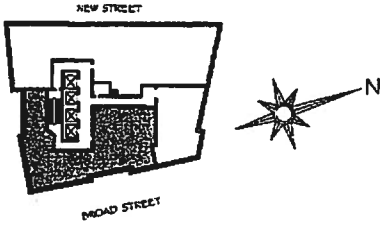
THE SETAI, NEW YORK
RESIDENCE A
PH5
3 BEDROOMS, 3 1/2 BATHS

REV. 10/24/06
REV. 10/25/06



THE SETAI, NEW YORK
RESIDENCE B
PH5
2 BEDROOMS, HOME OFFICE, 3 1/2 BATHS

REV. 10/3/06
REV. 10/24/06
REV. 10/25/06



SECOND AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
FOR
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

This SecondAmendment (this "Amendment") modifies and supplements the terms of the Condominium Offering Plan for the premises known as The Setai Condominium Residences at 40 Broad Street, 40 Broad Street, New York, New York 10004, first accepted for filing on November 24, 2006 (as amended, the "Plan"), and is incorporated into and should be read in conjunction with the Plan. The terms of this Amendment are as follows:

1. **Purpose of Amendment**

The purpose of this amendment is to effect a price change with respect to certain Units owned by 40 Broad LLC ("Sponsor").

2. **Increase in Certain Purchase Prices**

Schedule A of the Plan is hereby amended by increasing the Purchase Prices of certain of those Units to the new prices shown on Exhibit 1 hereto. Sponsor reserves the right to revise further the Purchase Prices and other terms of sale of the Units in accordance with the Plan, except that no such change shall affect any Unit for which an Agreement for purchase is then in effect without the consent of the Purchaser thereof.

3. **Definitions**

Except as herein defined, all capitalized terms used in this Amendment which are defined in the Plan shall have the respective meaning ascribed to such terms in the Plan.

4. **Incorporation of the Plan**

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

5. **No Material Changes in the Plan**

There have been no material changes in the Plan except as set forth in this Amendment. The Plan, as hereby amended, does not knowingly omit any material fact.

Dated: December 7, 2006

40 BROAD LLC

Setai Condominium Residences at 40 Broad Street							12/6/06 11:32 AM						
Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)													
Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
*10A	1BR/1B		718	810,000	0.30060%	0.46221%	1,002.31	490.75	424.70	5,889	5,096	1,493.06	1,427.01
10B	1BR/1B		845	865,000	0.35377%	0.54386%	1,179.60	577.55	499.82	6,931	5,998	1,757.15	1,679.41
11A	1BR/1B		931	950,000	0.38977%	0.59933%	1,299.65	636.33	550.69	7,636	6,608	1,935.99	1,850.34
11B	1BR/1B		859	965,000	0.35963%	0.55298%	1,199.14	587.12	508.10	7,045	6,097	1,786.26	1,707.24
11C	ST/1B		581	650,000	0.24324%	0.37402%	811.06	397.11	343.66	4,765	4,124	1,208.17	1,154.72
11D	1BR/1B		823	880,000	0.34455%	0.52980%	1,148.89	562.52	486.80	6,750	5,842	1,711.40	1,635.69
11E	1BR+/2B		1100	1,240,000	0.46052%	0.70812%	1,535.57	751.85	650.65	9,022	7,808	2,287.42	2,186.22
11F	ST/1B		613	845,000	0.25664%	0.39462%	855.73	418.98	362.59	5,026	4,351	1,274.71	1,218.32
11G	1BR/1B		739	860,000	0.30939%	0.47573%	1,031.62	505.10	437.12	6,061	5,245	1,536.73	1,468.74
11H	1BR+/2B		1338	1,385,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
12A	1BR/1B		931	960,000	0.38977%	0.59933%	1,299.65	636.33	550.69	7,636	6,608	1,935.99	1,850.34
12B	1BR/1B		859	975,000	0.35963%	0.55298%	1,199.14	587.12	508.10	7,045	6,097	1,786.26	1,707.24
12C	ST/1B		581	655,000	0.24324%	0.37402%	811.06	397.11	343.66	4,765	4,124	1,208.17	1,154.72
12D	1BR/1B		823	890,000	0.34455%	0.52980%	1,148.89	562.52	486.80	6,750	5,842	1,711.40	1,635.69
12E	1BR+/2B		1100	1,255,000	0.46052%	0.70812%	1,535.57	751.85	650.65	9,022	7,808	2,287.42	2,186.22
12F	ST/1B		613	650,000	0.25664%	0.39462%	855.73	418.98	362.59	5,026	4,351	1,274.71	1,218.32
12G	1BR/1B		739	870,000	0.30939%	0.47573%	1,031.62	505.10	437.12	6,061	5,245	1,536.73	1,468.74
12H	1BR+/2B		1338	1,400,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
14A	1BR/1B		931	970,000	0.38977%	0.59933%	1,299.65	636.33	550.69	7,636	6,608	1,935.99	1,850.34
14B	1BR/1B		859	985,000	0.35963%	0.55298%	1,199.14	587.12	508.10	7,045	6,097	1,786.26	1,707.24
14C	ST/1B		581	660,000	0.24324%	0.37402%	811.06	397.11	343.66	4,765	4,124	1,208.17	1,154.72
14D	1BR/1B		823	900,000	0.34455%	0.52980%	1,148.89	562.52	486.80	6,750	5,842	1,711.40	1,635.69
14E	1BR+/2B		1100	1,270,000	0.46052%	0.70812%	1,535.57	751.85	650.65	9,022	7,808	2,287.42	2,186.22
14F	ST/1B		613	655,000	0.25664%	0.39462%	855.73	418.98	362.59	5,026	4,351	1,274.71	1,218.32
14G	1BR/1B		739	880,000	0.30939%	0.47573%	1,031.62	505.10	437.12	6,061	5,245	1,536.73	1,468.74
14H	1BR+/2B		1338	1,415,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
15A	1BR/1B		932	980,000	0.39019%	0.59997%	1,301.05	637.02	551.28	7,644	6,615	1,938.06	1,852.32
15B	2BR/2B		1123	1,185,000	0.47015%	0.72293%	1,567.68	767.57	664.25	9,211	7,971	2,335.24	2,231.93
15C	1BR+/2B		1161	1,270,000	0.48606%	0.74739%	1,620.72	793.54	686.73	9,522	8,241	2,414.26	2,307.46
15D	1BR/1B		943	895,000	0.39479%	0.60705%	1,316.40	644.54	557.78	7,734	6,693	1,960.94	1,874.19
15E	ST/1B		475	650,000	0.19886%	0.30578%	663.09	324.66	280.98	3,896	3,372	987.75	944.05
15F	1BR/1B		674	800,000	0.28217%	0.43388%	940.89	460.68	398.67	5,528	4,784	1,401.56	1,339.56
15G	1BR+/2B		1338	1,405,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
16A	1BR/1B		930	1,025,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
16B	1BR/1.5B		1066	1,105,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
16C	ST/1B		582	675,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
16D	1BR/1B		826	920,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
16E	1BR+/2B		1115	1,300,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
16F	1BR/1B		934	1,025,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
16G	ST/1B		570	675,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
16H	1BR+/2B		1337	1,445,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
17A	1BR/1B		930	1,035,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
17B	1BR/1.5B		1066	1,115,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
17C	ST/1B		582	680,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
17D	1BR/1B		826	930,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
17E	1BR+/2B		1115	1,315,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
17F	1BR/1B		934	1,035,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
17G	ST/1B		570	680,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
17H	1BR+/2B		1337	1,460,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
18A	1BR/1B		930	1,045,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
18B	1BR/1.5B		1066	1,125,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
18C	ST/1B		582	685,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
18D	1BR/1B		826	940,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
18E	1BR+/2B		1115	1,330,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
18F	1BR/1B		934	1,045,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30

Setai Condominium Residences at 40 Broad Street							12/6/06 11:32 AM						
Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)													
Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
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18H	1BR+/2B		1337	1,475,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
19A	1BR/1B		930	1,055,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
19B	1BR/1.5B		1066	1,135,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
19C	ST/1B		582	690,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
19D	1BR/1B		826	950,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
19E	1BR+/2B		1115	1,345,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
19F	1BR/1B		934	1,055,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
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19H	1BR+/2B		1337	1,490,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
20A	1BR/1B		930	1,065,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
20B	1BR/1.5B		1066	1,145,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
20C	ST/1B		582	695,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
20D	1BR/1B		826	960,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
20E	1BR+/2B		1115	1,360,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
20F	1BR/1B		934	1,065,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
20G	ST/1B		570	695,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
20H	1BR+/2B		1337	1,505,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
21A	1BR/1B		930	1,075,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
21B	1BR/1.5B		1066	1,155,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
21C	ST/1B		582	700,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
21D	1BR/1B		826	970,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
21E	1BR+/2B		1115	1,375,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
21F	1BR/1B		934	1,075,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
21G	ST/1B		570	700,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
21H	1BR+/2B		1337	1,520,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
22A	1BR/1B		930	1,085,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
22B	1BR/1.5B		1066	1,165,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
22C	ST/1B		582	705,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
22D	1BR/1B		826	980,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
22E	1BR+/2B		1115	1,390,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
22F	1BR/1B		934	1,085,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
22G	ST/1B		570	705,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
22H	1BR+/2B		1337	1,535,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
23A	1BR/1B		930	1,095,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
23B	1BR/1.5B		1066	1,175,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
23C	ST/1B		582	710,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
23D	1BR/1B		826	990,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
23E	1BR+/2B		1115	1,405,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
23F	1BR/1B		934	1,095,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
23G	ST/1B		570	710,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
23H	1BR+/2B		1337	1,550,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
24A	1BR/1B		950	1,090,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
24B	1BR+/1.5B		1066	1,185,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
24C	ST/1B		590	715,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
24D	1BR+/2B		1004	1,295,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
24E	1BR/1B T	135	772	1,105,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33
24F	ST/1B T	135	521	760,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
24G	1BR/1B T	144	824	1,140,000	0.34497%	0.53045%	1,150.28	563.20	487.40	6,758	5,849	1,713.48	1,637.68
24H	1BR+/2B T	200	1149	1,510,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
25A	1BR/1B		950	1,100,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
25B	1BR/1.5B		1066	1,195,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
25C	ST/1B		590	725,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
25D	1BR+/2B		1004	1,310,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
25E	1BR/1B		772	1,015,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33

Setai Condominium Residences at 40 Broad Street — 12/6/06 11:32 AM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with, 421-g and 421-a (7)
25F	ST/1B		521	695,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
25G	1BR/1B		824	1,050,000	0.34497%	0.53045%	1,150.28	563.20	487.40	6,758	5,849	1,713.48	1,637.68
25H	1BR+/2B		1149	1,375,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
26A	1BR/1B		950	1,110,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
26B	1BR/1.5B		1066	1,205,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
26C	ST/1B		590	735,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
26D	1BR+/2B		1004	1,325,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
26E	1BR/1B		772	1,025,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33
26F	ST/1B		521	705,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
26G	1BR/1B		784	1,060,000	0.32823%	0.50470%	1,094.44	535.86	463.74	6,430	5,565	1,630.30	1,558.18
26H	1BR+/2B		1149	1,390,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
27A	1BR/1B		950	1,120,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
27B	1BR/1.5B		1066	1,215,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
27C	ST/1B		590	745,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
27D	1BR+/2B		1004	1,340,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
27E	1BR/1B		772	1,035,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33
27F	ST/1B		521	715,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
27G	1BR/1B		784	1,070,000	0.32823%	0.50470%	1,094.44	535.86	463.74	6,430	5,565	1,630.30	1,558.18
27H	1BR+/2B		1149	1,405,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
28A	1BR/1B		963	1,145,000	0.40317%	0.61993%	1,344.32	658.21	569.61	7,898	6,835	2,002.53	1,913.94
28B	1BR+/1.5B		1066	1,225,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
28C	ST/1B		590	755,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
28D	1BR+/2B		1004	1,355,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
28E	1BR/1B		771	1,045,000	0.32278%	0.49633%	1,076.30	526.98	456.05	6,324	5,473	1,603.27	1,532.34
28F	ST/1B		518	725,000	0.21686%	0.33346%	723.11	354.05	306.40	4,249	3,677	1,077.16	1,029.51
28G	1BR/1B		787	1,080,000	0.32948%	0.50663%	1,098.63	537.91	465.51	6,455	5,586	1,636.54	1,564.14
28H	1BR+/2B		1124	1,420,000	0.47057%	0.72357%	1,569.07	768.25	664.85	9,219	7,978	2,337.32	2,233.92
PH1A	1BR/1B		964	1,200,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH1B	1BR/1.5B		1071	1,280,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH1C	2BR+/2B		1587	2,135,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH1D	1BR/1B		769	1,095,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH1E	ST/1B		516	765,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH1F	1BR/1B		785	1,065,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH1G	1BR+/2B		1125	1,490,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH2A	1BR/1B		964	1,210,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH2B	1BR/1.5B		1071	1,290,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH2C	2BR+/2B		1587	2,150,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH2D	1BR/1B		769	1,105,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH2E	ST/1B		516	775,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH2F	1BR/1B		785	1,075,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH2G	1BR+/2B		1125	1,505,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH3A	1BR/1B		964	1,220,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH3B	1BR/1.5B		1071	1,300,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH3C	2BR+/2B		1587	2,165,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH3D	1BR/1B		769	1,115,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH3E	ST/1B		516	785,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH3F	1BR/1B		785	1,085,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH3G	1BR+/2B		1125	1,520,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH4A	1BR/1B		964	1,230,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH4B	1BR/1.5B		1071	1,310,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH4C	2BR+/2B		1587	2,180,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH4D	1BR/1B		769	1,125,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH4E	ST/1B		516	795,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH4F	1BR/1B		785	1,095,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH4G	1BR+/2B		1125	1,535,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36

Setal Condominium Residences at 40 Broad Street							12/8/06 11:32 AM						
Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08)													
Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
PH5A	3BR/3B T		3424	6,750,000	1.43348%	2.20418%	4,779.81	3,539.37	3,782.81	42,472	45,394	8,319.18	8,562.62
PH5B	2BR+/3B T		2361	4,250,000	0.98845%	1.51988%	3,295.89	2,440.55	2,608.41	29,287	31,301	5,736.44	5,904.30
Residential Unit Subtotals		**614**	**155,341**	**190,240,000**	**65.03460%**	**100.00000%**	**216,851.76**	**117,750.00**	**108,850.00**	**1,413,000.00**	**1,306,200.00**	**334,601.76**	**325,701.76**
Commercial Unit #1 (Garage)			6,500		2.72127%		2,228.91	2,291.67	2,291.67	27,500	27,500	4,520.58	4,520.58
Commercial Unit #2 (Retail)			4,505		1.88605%		1,544.61	5,772.61	5,772.61	69,271	69,271	7,317.42	7,317.42
Commercial Unit #3 (Retail)			1,218		0.50992%		417.66	1,560.72	1,560.72	18,729	18,729	1,978.38	1,978.38
Commercial Unit #4 (2nd and 3rd Floor)			23,489		9.83384%		8,054.60	15,616.67	15,616.67	187,400	187,400	23,671.27	23,671.27
Commercial Unit #5 (Floors 4-7)			47,806		20.01432%		16,445.05	31,566.67	31,566.67	378,800	378,800	48,011.71	48,011.71
Commercial Unit Subtotal			**83,518**				**28,691.03**	**56,808.33**	**56,808.33**	**681,700.00**	**681,700.00**	**85,499.36**	**85,499.36**
	TOTALS	**614**	**238,859**	**190,240,000**	**100.00000%**	**100.000000%**	**245,542.79**	**174,558.33**	**165,658.33**	**2,094,700**	**1,987,900**	**420,101.12**	**411,201.12**
*Unit 10A is for Resident Manager													

FIRST AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
FOR
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

This First Amendment (this "Amendment") modifies and supplements the terms of the Condominium Offering Plan for the premises known as The Setai Condominium Residences at 40 Broad Street, 40 Broad Street, New York, New York 10004, first accepted for filing on November 24, 2006 (the "Plan"), and is incorporated into and should be read in conjunction with the Plan. The terms of this Amendment are as follows:

1. **Purpose of Amendment**

The purpose of this amendment is to effect a price change with respect to certain Units owned by 40 Broad LLC ("Sponsor").

2. **Increase in Certain Purchase Prices**

Schedule A of the Plan is hereby amended by increasing the Purchase Prices of certain of those Units to the new prices shown on Exhibit 1 hereto. Sponsor reserves the right to revise further the Purchase Prices and other terms of sale of the Units in accordance with the Plan, except that no such change shall affect any Unit for which an Agreement for purchase is then in effect without the consent of the Purchaser thereof.

3. **Definitions**

Except as herein defined, all capitalized terms used in this Amendment which are defined in the Plan shall have the respective meaning ascribed to such terms in the Plan.

4. **Incorporation of the Plan**

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

5. **No Material Changes in the Plan**

There have been no material changes in the Plan except as set forth in this Amendment. The Plan, as hereby amended, does not knowingly omit any material fact.

Dated: November 29, 2006

40 BROAD LLC

Setal Condominium Residences at 40 Broad Street — 11/28/06 9:00 AM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08) (1)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
*10A	1BR/1B		718	810,000	0.30080%	0.46221%	1,002.31	490.75	424.70	5,889	5,096	1,493.06	1,427.01
10B	1BR/1B		845	865,000	0.35377%	0.54396%	1,179.60	577.55	499.82	6,931	5,998	1,757.15	1,679.41
11A	1BR/1B		931	950,000	0.38977%	0.59933%	1,299.65	636.33	550.69	7,636	6,608	1,935.99	1,850.34
11B	1BR/1B		859	915,000	0.35963%	0.55298%	1,199.14	587.12	508.10	7,045	6,097	1,786.26	1,707.24
11C	ST/1B		581	650,000	0.24324%	0.37402%	811.06	397.11	343.66	4,765	4,124	1,208.17	1,154.72
11D	1BR/1B		823	880,000	0.34455%	0.52980%	1,148.89	562.52	486.80	6,750	5,842	1,711.40	1,635.69
11E	1BR+/2B		1100	1,240,000	0.46052%	0.70812%	1,535.57	751.85	650.65	9,022	7,808	2,287.42	2,186.22
11F	ST/1B		613	645,000	0.25664%	0.39462%	855.73	418.98	362.59	5,028	4,351	1,274.71	1,218.32
11G	1BR/1B		739	860,000	0.30939%	0.47573%	1,031.62	505.10	437.12	6,061	5,245	1,536.73	1,468.74
11H	1BR+/2B		1338	1,360,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
12A	1BR/1B		931	960,000	0.38977%	0.59933%	1,299.65	636.33	550.69	7,636	6,608	1,935.99	1,850.34
12B	1BR/1B		859	925,000	0.35963%	0.55298%	1,199.14	587.12	508.10	7,045	6,097	1,786.26	1,707.24
12C	ST/1B		581	655,000	0.24324%	0.37402%	811.06	397.11	343.66	4,765	4,124	1,208.17	1,154.72
12D	1BR/1B		823	890,000	0.34455%	0.52980%	1,148.89	562.52	486.80	6,750	5,842	1,711.40	1,635.69
12E	1BR+/2B		1100	1,255,000	0.46052%	0.70812%	1,535.57	751.85	650.65	9,022	7,808	2,287.42	2,186.22
12F	ST/1B		613	650,000	0.25664%	0.39462%	855.73	418.98	362.59	5,028	4,351	1,274.71	1,218.32
12G	1BR/1B		739	870,000	0.30939%	0.47573%	1,031.62	505.10	437.12	6,061	5,245	1,536.73	1,468.74
12H	1BR+/2B		1338	1,375,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
14A	1BR/1B		931	970,000	0.38977%	0.59933%	1,299.65	636.33	550.69	7,636	6,608	1,935.99	1,850.34
14B	1BR/1B		859	935,000	0.35963%	0.55298%	1,199.14	587.12	508.10	7,045	6,097	1,786.26	1,707.24
14C	ST/1B		581	660,000	0.24324%	0.37402%	811.06	397.11	343.66	4,765	4,124	1,208.17	1,154.72
14D	1BR/1B		823	900,000	0.34455%	0.52980%	1,148.89	562.52	486.80	6,750	5,842	1,711.40	1,635.69
14E	1BR+/2B		1100	1,270,000	0.46052%	0.70812%	1,535.57	751.85	650.65	9,022	7,808	2,287.42	2,186.22
14F	ST/1B		613	655,000	0.25664%	0.39462%	855.73	418.98	362.59	5,028	4,351	1,274.71	1,218.32
14G	1BR/1B		739	880,000	0.30939%	0.47573%	1,031.62	505.10	437.12	6,061	5,245	1,536.73	1,468.74
14H	1BR+/2B		1338	1,390,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
15A	1BR/1B		932	980,000	0.39019%	0.59997%	1,301.05	637.02	551.28	7,644	6,615	1,938.06	1,852.32
15B	2BR/2B		1123	1,185,000	0.47015%	0.72293%	1,567.68	767.57	664.25	9,211	7,971	2,335.24	2,231.93
15C	1BR+/2B		1161	1,270,000	0.48606%	0.74739%	1,620.72	793.54	686.73	9,522	8,241	2,414.26	2,307.46
15D	1BR/1B		943	895,000	0.39479%	0.60705%	1,316.40	644.54	557.78	7,734	6,693	1,960.94	1,874.19
15E	ST/1B		475	650,000	0.19885%	0.30578%	663.09	324.66	280.96	3,896	3,372	987.75	944.05
15F	1BR/1B		674	800,000	0.28217%	0.43388%	940.89	460.68	398.67	5,528	4,784	1,401.56	1,339.56
15G	1BR+/2B		1338	1,405,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
16A	1BR/1B		930	1,025,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
16B	1BR/1.5B		1066	1,055,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
16C	ST/1B		582	675,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
16D	1BR/1B		826	920,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
16E	1BR+/2B		1115	1,300,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
16F	1BR/1B		934	975,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
16G	ST/1B		570	675,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
16H	1BR+/2B		1337	1,420,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
17A	1BR/1B		930	1,035,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
17B	1BR/1.5B		1066	1,065,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
17C	ST/1B		582	680,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
17D	1BR/1B		826	930,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
17E	1BR+/2B		1115	1,315,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
17F	1BR/1B		934	985,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
17G	ST/1B		570	680,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
17H	1BR+/2B		1337	1,435,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
18A	1BR/1B		930	1,045,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
18B	1BR/1.5B		1066	1,075,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
18C	ST/1B		582	685,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
18D	1BR/1B		826	940,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
18E	1BR+/2B		1115	1,330,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
18F	1BR/1B		934	995,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30

Setal Condominium Residences at 40 Broad Street							11/28/06 9:00 AM						
Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08) (1)													
Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
18G	ST/1B		570	685,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
18H	1BR+/2B		1337	1,450,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
19A	1BR/1B		930	1,055,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
19B	1BR/1.5B		1066	1,085,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
19C	ST/1B		582	690,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
19D	1BR/1B		826	950,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
19E	1BR+/2B		1115	1,345,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
19F	1BR/1B		934	1,005,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
19G	ST/1B		570	690,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
19H	1BR+/2B		1337	1,465,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
20A	1BR/1B		930	1,065,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
20B	1BR/1.5B		1066	1,095,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
20C	ST/1B		582	695,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
20D	1BR/1B		826	960,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
20E	1BR+/2B		1115	1,360,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
20F	1BR/1B		934	1,015,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
20G	ST/1B		570	695,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
20H	1BR+/2B		1337	1,480,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
21A	1BR/1B		930	1,075,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
21B	1BR/1.5B		1066	1,105,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
21C	ST/1B		582	700,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
21D	1BR/1B		826	970,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
21E	1BR+/2B		1115	1,375,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
21F	1BR/1B		934	1,025,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
21G	ST/1B		570	700,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
21H	1BR+/2B		1337	1,495,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
22A	1BR/1B		930	1,085,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
22B	1BR/1.5B		1066	1,115,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
22C	ST/1B		582	705,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
22D	1BR/1B		826	980,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
22E	1BR+/2B		1115	1,390,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
22F	1BR/1B		934	1,035,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
22G	ST/1B		570	705,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
22H	1BR+/2B		1337	1,510,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
23A	1BR/1B		930	1,095,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
23B	1BR/1.5B		1066	1,125,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
23C	ST/1B		582	710,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
23D	1BR/1B		826	990,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
23E	1BR+/2B		1115	1,405,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
23F	1BR/1B		934	1,045,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
23G	ST/1B		570	710,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
23H	1BR+/2B		1337	1,525,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
24A	1BR/1B		950	1,090,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
24B	1BR+/1.5B		1066	1,135,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
24C	ST/1B		590	715,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
24D	1BR+/2B		1004	1,295,000	0.42033%	0.64632%	1,401.58	686.23	593.87	8,235	7,126	2,087.79	1,995.42
24E	1BR/1B T	135	772	1,105,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33
24F	ST/1B T	135	521	760,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
24G	1BR/1B T	144	824	1,140,000	0.34497%	0.53045%	1,150.28	563.20	487.40	6,758	5,849	1,713.48	1,637.68
24H	1BR+/2B T	200	1149	1,485,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,158	2,389.31	2,283.61
25A	1BR/1B		950	1,100,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
25B	1BR/1.5B		1066	1,145,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
25C	ST/1B		590	725,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
25D	1BR+/2B		1004	1,310,000	0.42033%	0.64632%	1,401.58	686.23	593.87	8,235	7,126	2,087.79	1,995.42
25E	1BR/1B		772	1,015,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33

Setai Condominium Residences at 40 Broad Street

11/28/06 9:00 AM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08) (1)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
25F	ST/1B		521	695,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
25G	1BR/1B		824	1,050,000	0.34497%	0.53045%	1,150.28	563.20	487.40	6,758	5,849	1,713.48	1,637.68
25H	1BR+/2B		1149	1,350,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
26A	1BR/1B		950	1,110,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
26B	1BR/1.5B		1066	1,155,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
26C	ST/1B		590	735,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
26D	1BR+/2B		1004	1,325,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
26E	1BR/1B		772	1,025,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33
26F	ST/1B		521	705,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
26G	1BR/1B		784	1,060,000	0.32823%	0.50470%	1,094.44	535.86	463.74	6,430	5,565	1,630.30	1,558.18
26H	1BR+/2B		1149	1,365,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
27A	1BR/1B		950	1,120,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
27B	1BR/1.5B		1066	1,165,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
27C	ST/1B		590	745,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
27D	1BR+/2B		1004	1,340,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
27E	1BR/1B		772	1,035,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33
27F	ST/1B		521	715,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
27G	1BR/1B		784	1,070,000	0.32823%	0.50470%	1,094.44	535.86	463.74	6,430	5,565	1,630.30	1,558.18
27H	1BR+/2B		1149	1,380,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
28A	1BR/1B		963	1,145,000	0.40317%	0.61993%	1,344.32	658.21	569.61	7,898	6,835	2,002.53	1,913.94
28B	1BR+/1.5B		1066	1,175,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
28C	ST/1B		590	755,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
28D	1BR+/2B		1004	1,355,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
28E	1BR/1B		771	1,045,000	0.32278%	0.49639%	1,076.30	526.98	456.05	6,324	5,473	1,603.27	1,532.34
28F	ST/1B		518	725,000	0.21686%	0.33346%	723.11	354.05	306.40	4,249	3,677	1,077.16	1,029.51
28G	1BR/1B		787	1,080,000	0.32948%	0.50663%	1,098.63	537.91	465.51	6,455	5,586	1,636.54	1,564.14
28H	1BR+/2B		1124	1,395,000	0.47057%	0.72357%	1,569.07	768.25	664.85	9,219	7,978	2,337.32	2,233.92
PH1A	1BR/1B		964	1,200,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH1B	1BR/1.5B		1071	1,230,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH1C	2BR+/2B		1587	2,135,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH1D	1BR/1B		769	1,095,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH1E	ST/1B		516	765,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH1F	1BR/1B		785	1,065,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH1G	1BR+/2B		1125	1,465,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH2A	1BR/1B		964	1,210,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH2B	1BR/1.5B		1071	1,240,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH2C	2BR+/2B		1587	2,150,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH2D	1BR/1B		769	1,105,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH2E	ST/1B		516	775,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH2F	1BR/1B		785	1,075,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH2G	1BR+/2B		1125	1,480,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH3A	1BR/1B		964	1,220,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH3B	1BR/1.5B		1071	1,250,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH3C	2BR+/2B		1587	2,165,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH3D	1BR/1B		769	1,115,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH3E	ST/1B		516	785,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH3F	1BR/1B		785	1,085,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH3G	1BR+/2B		1125	1,495,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH4A	1BR/1B		964	1,230,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH4B	1BR/1.5B		1071	1,260,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH4C	2BR+/2B		1587	2,180,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH4D	1BR/1B		769	1,125,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH4E	ST/1B		516	795,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH4F	1BR/1B		785	1,095,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH4G	1BR+/2B		1125	1,510,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36

Setai Condominium Residences at 40 Broad Street							11/29/06 8:00 AM						
Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08) (1)													
Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (6)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
PH5A	3BR/3B T		3424	6,750,000	1.43348%	2.20418%	4,779.81	3,539.37	3,782.81	42,472	45,394	8,319.18	8,562.62
PH5B	2BR+/3B T		2381	4,250,000	0.98845%	1.51988%	3,295.89	2,440.55	2,608.41	29,287	31,301	5,736.44	5,904.30
Residential Unit Subtotals		614	155,341	188,340,000	65.03460%	100.00000%	216,851.76	117,750.00	108,850.00	1,413,000.00	1,306,200.00	334,601.76	325,701.76
Commercial Unit #1 (Garage)			6,500		2.72127%		2,228.91	2,291.67	2,291.67	27,500	27,500	4,520.58	4,520.58
Commercial Unit #2 (Retail)			4,505		1.88605%		1,544.81	5,772.61	5,772.61	69,271	69,271	7,317.42	7,317.42
Commercial Unit #3 (Retail)			1,218		0.50992%		417.66	1,560.72	1,560.72	18,729	18,729	1,978.38	1,978.38
Commercial Unit #4 (2nd and 3rd Floor)			23,489		9.83384%		8,054.60	15,616.67	15,616.67	187,400	187,400	23,671.27	23,671.27
Commercial Unit #5 (Floors 4-7)			47,806		20.01432%		16,445.05	31,566.67	31,566.67	378,800	378,800	48,011.71	48,011.71
Commercial Unit Subtotal			83,518				28,691.03	56,808.33	56,808.33	681,700.00	681,700.00	85,499.36	85,499.36
	TOTALS	614	238,859	188,340,000	100.00000%	100.000000%	245,542.79	174,558.33	165,658.33	2,094,700	1,987,900	420,101.12	411,201.12
*Unit 10A is for Resident Manager													

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SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

1. Use Provisions

The Condominium will initially consist of 167 Residential Units and 5 Commercial Units and the Common Elements. The Commercial Units consist of 5 Units (the "Commercial Units"). Only the Residential Units (and their appurtenant interest in the Common Elements) are offered pursuant to this offering plan.

The Residential Units may generally only be used for residential purposes and may be leased by the Unit Owners thereof to tenants only for periods of one year or longer, as provided in the By-Laws.

Sponsor and its designee(s) shall have the right, until the tenth anniversary of the First Closing, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Residential Units) or otherwise.

The Commercial Units may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial, office, storage, hotel, residential or transient use, fractional or club ownership, storage, garage, and utility purposes. Except as set forth herein, the Condominium's board of managers (the "Board") will have no right to restrict or limit any of the uses of, or alterations in or to, any Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. It is currently anticipated that Commercial Unit 1 will initially be used for garage purposes and ancillary uses (on portions of the cellar); Commercial Unit 2 will be used for retail or restaurant purposes (on a portion of the first floor); Commercial Unit 3 will be used for retail or restaurant purposes (on a portion of the first floor); Commercial Unit 4 will be used for retail or restaurant purposes, spa purposes (on the second floor), and Commercial Unit 5 will be used for office purposes (on the fourth through seventh floors). The Commercial Units may be used for transient use. No representation or warranty is made with respect to such initial or any subsequent uses of any Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Units may be at any time. In the event that any Commercial Unit is used for fractional or club ownership use, a separate offering plan will be filed. No income derived from any use of any Commercial Unit will constitute income to the Board or the Residential Unit Owners. (See Sections B and Q in Part I of the Plan for further discussion.)

2. Purchaser Deposits; Defaults by Purchasers

At the time an agreement for the purchase of a Unit (an "Agreement") is executed, the Purchaser thereunder is required to make a payment in an amount equal to 10% of the purchase price set forth therein (the "Initial Deposit"); and an additional payment equal to 5% of such purchase price (the "Additional Deposit") due and payable no later than the earlier to occur of: (a) six months after the date of the Agreement; or (b) 15 days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Unit. The term "Deposit" as used herein

refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit. Notwithstanding the foregoing, if a Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser will be required to make an Initial Deposit equal to 50% of the applicable purchase price and will not be required to make an Additional Deposit.

In the event a Purchaser defaults under an Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within 30 days after Sponsor gives 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. Additionally, if a Purchaser fails for any reason to close title on the originally scheduled closing date and Sponsor elects not to cancel the Agreement: (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 Unit(s) in question for each day that the closing is adjourned. (See Sections I and L in Part I of the Plan for further discussion.)

3. No Financing Contingency

A Purchaser may obtain financing from any lending institution or other source, but the Purchaser's obligation to purchase a Unit pursuant to an Agreement shall not be contingent on the Purchaser obtaining such financing, so that a Purchaser will remain obligated under the Agreement whether or not such Purchaser has been able to obtain financing. Neither Sponsor nor Selling Agent makes any representation whatsoever as to the terms or availability of any mortgage or other financing. Prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling, rescheduling or adjournment of closing beyond the expiration of a loan commitment. (See Sections I and L in Part I of the Plan for further discussion.)

4. Agreement/No Rescission

The Agreement between Sponsor and a Purchaser, the form of which is set forth as Exhibit 1 in Part II of the Plan, in respect of the purchase of a Unit requires the making of an Initial Deposit and, subject to the terms of the Plan and the Agreement, an Additional Deposit. Each of such payments is in consideration of the granting (or continuation) of the right pursuant to such Agreement to purchase the Unit which is the subject thereof in accordance with the terms of the Plan. Provided a Purchaser shall have timely made its Deposit, such Purchaser shall have (or continue to have) the right to purchase its Unit at the stated purchase price and upon the terms and conditions set forth in the Agreement and in the Plan. The Deposit, and all other amounts paid by a Purchaser to Sponsor pursuant to the Agreement and/or the Plan in connection with the purchase of a Unit, shall be such Purchaser's own funds (and not a third party's). In the event a Purchaser elects not to exercise its right to purchase (by closing title in accordance with the terms of the Plan and the Agreement) after payment of any Deposit, the Deposit previously paid (together with any interest thereon) shall be retained by Sponsor (subject to the terms of the

Plan), as liquidated damages, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to and retained by Sponsor as Sponsor's sole and exclusive remedy. In such case, Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. Purchasers are advised that notwithstanding the foregoing, including, without limitation, Sponsor not having the right of specific performance, nothing herein shall be deemed to grant Purchaser any right of rescission and/or any right to the return of all or any portion of a Deposit except as expressly set forth in the Plan. (See Sections I and L in Part I of the Plan for further discussion.)

5. Control by Sponsor; First Meeting

The powers and duties necessary for or incidental to the administration of the affairs of the Condominium will be vested in the Board. Sponsor will be entitled to designate a majority of the members of the Board until the later to occur of: (i) the fifth anniversary of the first closing of title to a Residential Unit by Sponsor pursuant to an Agreement (the "First Closing"); or (ii) the closing of title to Residential Units representing more than 75%, both in number and in aggregate Common Interests, of all Residential Units.

Therefore, during this period (the "Initial Control Period") Sponsor will be able to control the maintenance and operation of, and services to be provided by, the Condominium; Sponsor will also be able to control the determination of the Common Charges to be paid by all Unit Owners. Moreover, during the Initial Control Period, the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Residential Unit (unless required by any applicable Legal Requirements); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B "Projected Budget for First Year of Condominium Operation" set forth in the Plan (the "First Year's Budget"); (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium (other than the indebtedness in connection with the Resident Manager's Unit (as defined below) or unless any such borrowing is approved by the owners of Units representing at least 75% both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Residential Unit. However, the Board may perform any function or take any action enumerated in subsections (i) through (vi) hereinabove without the consent of Sponsor if, and only if, the performance of

such function or the carrying out of such action is necessary, and no other alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building.

The Board shall consist of three members designated by Sponsor from time to time until the first annual meeting of Unit Owners (the "First Annual Meeting"), at which time the incumbent Board will resign and a new seven member Board will be elected by the Unit Owners. The First Annual Meeting shall be held not later than 30 days following the later to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units. However, at elections of members to the Board held during the Initial Control Period, Sponsor and/or its designee shall have the right to elect and/or designate not more than four members of the Board, in the aggregate, who are related to or affiliated with Sponsor, such designee or other Unsold Residential Unit Owner(s), and Sponsor, such designee and all other Unit Owners shall have the right to elect the remaining three members of the Board who shall not be related to or affiliated with Sponsor, such designee or other Unsold Residential Unit Owners.

As a result of the foregoing, there is no provision in the By-Laws for a majority of the Board to be owner-occupants or members of an owner-occupant's household who are unrelated to the sponsor and its principals within one year after the First Closing. Owner-occupants and non-resident 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. (See Sections O and P in Part I of the Plan for further discussion.)

6. Interim Service Period

Prospective Purchasers are advised that until the later of: (i) twelve months after the First Closing; or (ii) the closing of title to and occupancy of at least 50% of the Residential Units, some of the services and facilities described in the Plan may not be available. However, it is anticipated that at all times after the First Closing the residential lobby will be attended 24 hours a day, 7 days a week and there will be at least one elevator servicing every floor on which there are occupied Residential Units. The interim level of staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building.

7. Additional Building Work

Renovation in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular purchaser's Residential Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Residential Unit Owners

within their Residential Units (to perform custom renovations, etc.); and (iii) the Commercial Unit Owners to complete renovation, build-out, furnishing and equipping their Units. During at least the First Year of Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing renovation work, making adjustments and performing various other tasks related to the completion of renovation, fitting out of, and moving into, the Residential Units and other portions of the Building. Various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may require more than a year after any particular Unit closing to complete and may be disrupted temporarily and from time to time. Residential elevators and personnel may be taken out of service and diverted to facilitate construction and exterior hoists may be in place during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with construction being performed in Residential Units by the Unit Owners thereof. Various other adjustments, to windows and elevators and other systems, may require eighteen months or more after the First Closing to complete. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Residential Unit Owners (e.g., Fitness Center, etc.) may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued or disrupted. Further, the Board and/or Sponsor may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and permanent certificate(s) of occupancy have been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Residential Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, renovation of the Building will be sufficiently completed to permit closings of title to Residential Units to begin in or about July, 2007. Prospective Purchasers should note, however, that the Residential Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of

the projected 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: (i) the 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 1, 2007, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 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 Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence 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. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

8. Resident Manager's Unit

At or after the First Closing, Sponsor will lease a Residential Unit (the "Resident Manager's Unit") to the Board, which will lease such Unit on behalf of the Residential Unit Owners and will use the same as the Resident Manager's residence. This lease (the "Lease") will be for a term of ten (10) years. The monthly rent shall be $3,500 fixed for the first five years of the lease term and subject to 3% increase for each year thereafter.

The Board may terminate the Lease at any time, upon sixty (60) days written notice to Sponsor after Sponsor is no longer in control of the Board. In the event that the Board elects to terminate the Lease, the Board may be required by law, in its discretion, to purchase or rent a dwelling for the Resident Manager in or near the Building, to arrange for any necessary facilities to be available, and/or to make such other arrangements as may be required to comply with Legal Requirements or otherwise.

The Resident Manager's Unit is currently anticipated to be Unit 10A. Sponsor, however, reserves the right, in its sole discretion, to change the leased Residential Unit, to be other than Unit 10A, provided that such change shall only be made pursuant to an amendment to the Plan (see Section E in Part I of the Plan for further discussion) and shall not result in the Board incurring charges which exceed the costs of leasing Unit 10A as set forth in Schedule B.

9. Prohibition Against Advertising

Purchasers are prohibited from listing their Units for resale with any broker or otherwise advertising, promoting or publicizing the availability of their Units for sale prior to the closing of title. (See Section J in Part I of the Plan and Exhibit 1 in Part II of the Plan for further information.)

10. No Bond or Other Security

No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments or real estate taxes with respect to the Unsold

Residential Units. Sponsor represents that it has the financial resources to pay such amounts with respect to the Unsold Residential Units and agrees to pay such amounts. (See Section N in Part I of the Plan for further discussion.)

11. Sponsor's Right to Lease Unsold Residential Units

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right to rent or lease, rather than sell, the Units offered hereunder. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. 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 15 percent of Units necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium. (See Sections A, H and N in Part I of the Plan for further discussion.)

12. Changes in the Commercial Units

Sponsor and any successor Commercial Unit Owner will have the right to alter, divide, subdivide and combine portions of its Commercial Unit, subject to the provisions of all applicable laws and ordinances, and the Declaration and By-Laws. The Commercial Units may be used, occupied and operated for any legally permitted purpose, including, without limitation, retail, restaurant, banquet, banking, commercial, public event, office, hotel, residential or transient use, fractional or club ownership, storage, garage, and utility purposes. (See Section F in Part I of the Plan for further discussion.)

13. Transfer Taxes; Mansion Taxes; Closing Costs

Purchasers shall be obligated to pay at the closing of title to their Unit(s) the New York City Real Property Transfer Tax and New York State Real Property Transfer Tax ("deed stamps") which by law are the primary obligation of the seller. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Currently, the New York City Real Property Transfer Tax for individual residential condominium units is 1% of the purchase price of a unit if such purchase price is $500,000 or less and 1.425% of the purchase price if such purchase price is over $500,000; and the New York State Real Estate Transfer Tax is presently $2 for each $500 (or part thereof) of the Purchase Price of a Residential Unit. Purchasers of Commercial Units will be obligated to pay transfer taxes at nonresidential rates, which are higher. Purchasers of Residential Units 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." The Mansion Tax is presently 1% of the consideration paid when the consideration is $1,000,000 or more. The Mansion Tax by law is the primary obligation of the Purchaser. Additionally, Purchasers shall be required to pay various other additional closing costs, fees and adjustments. (See Section M in Part I of the Plan for further discussion.)

14. No Reserve Fund/Working Capital Fund

No reserve fund is being established for the Condominium. Sponsor has elected not to provide for a reserve fund to be used for capital replacements or repairs, because the Building will be substantially newly renovated. The Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by special assessment or by increases in Common Charges. A Working Capital Fund will be established through payments made therefor by each Purchaser at Closing to be held or used for working capital and for such other appropriate purposes as the Board may determine. (See Section V in Part I of the Plan for further discussion.)

15. Real Estate Taxes

The estimated real estate taxes payable in respect of the Residential Units were calculated on the assumption that the real estate taxes for the Building payable for the First Year of Building Operation, as estimated by Sponsor's real estate tax attorney, will be allocated between the Commercial Units and the Residential Units based on the square footage of the respective Units (exclusive of Common Elements), and then to each individual Residential Unit on the basis of the ratio that the initial offering price for each such Unit set forth in Schedule A herein bears to the total initial offering prices of all such Units set forth in Schedule A. Upon determination of individual tax lots and individual assessments for such Unit, the New York City tax authorities may allocate taxes among the Residential Unit in proportion to each such Unit's percentage interest in the Common Elements or some other basis rather than its relative offering price, and, if so, Units having the same or similar initial offering price may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax attorney and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be. Only the New York City tax authorities will make this determination upon the filing of tax lots. (See Sections D and R in Part I of the Plan for further discussion.)

16. Closing Fees and Costs

All legal costs, fees and expenses charged by each Purchaser's attorney shall be the sole responsibility of such Purchaser. In addition, each Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Kramer Levin Naftalis & Frankel LLP ("Sponsor's Counsel"), in connection with the closing of title to such Purchaser's Unit: (i) the sum of $1,450 to reimburse Sponsor for a portion of its legal fees incurred in connection with the closing of title to the Purchaser's Unit; (ii) if the Purchaser requests the closing to occur other than at the offices of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice) and Sponsor consents to such change (in its sole discretion), an attendance fee of $500 for each closing held within Manhattan and $750 for each closing held in any borough outside Manhattan; (iii) the sum of $350 for the preparation of ACRIS transfer documents required by the City of New York; (iv) if the closing is adjourned through no fault of Sponsor, an additional fee of $600 for each such adjournment to help defray the cost of preparing for and

coordinating the new closing; (v) 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 $850, payable in advance, for preparation of an assignment agreement; (vi) if Purchaser obtains mortgage financing, an additional fee of $500 to Sponsor's Counsel to defray the additional costs associated therewith. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser. (See Section M in Part I of the Plan for further discussion.)

17. No Warranty

Sponsor shall not be obligated to correct, repair or replace any defects relating to construction of the Units or the Common Elements or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. (See Section N in Part I of the Plan for further discussion.)

18. Insurance

The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain comprehensive general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit and the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $3,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Residential Unit Owners are urged to obtain casualty insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the By-Laws. (See Section Q in Part I of the Plan for further discussion.)

19. Waiver of Diplomatic or Sovereign Immunity

Purchasers will be required to waive expressly any and all immunity from suit by Sponsor and/or the Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Board

an amount equal to two years' estimated Common Charges. (See Sections I and M in Part I of the Plan for further discussion.)

20. Partial Exemption from Real Estate Taxes

Sponsor will apply for partial real estate tax exemption abatements under Section 421-g of the New York Real Property Tax Law ("Section 421-g") and under Section 421-a of the New York Real Property Tax Law ("Section 421-a"). Such exemptions and abatements, if granted, will be limited pursuant to the terms granted as the case may be, following completion of construction and will decrease progressively during such periods. However, there can be no assurance that the above Section 421-g or Section 421-a tax exemption and/or abatement benefits will be granted. If for any reason, the aforementioned exemptions are not granted to all or specific Residential Unit(s), the Units, or such specific Unit(s), will be subject to full taxation and will receive no partial exemption from real estate taxes. Purchasers will have no right to rescind their Agreements in such event, will continue to be obligated to pay the full purchase price without any offset or credit and will have no claim against Sponsor by reason of the same. If Sponsor does not obtain the partial exemption from real estate taxes pursuant to Section 421-g and/or Section 421-a, the real estate taxes without such exemption will apply.

21. Certificate of Occupancy

If, as of the First Closing, only a temporary Certificate of Occupancy has been issued for the Building, Sponsor will use all reasonable diligence to cause the New York City Department of Buildings to continuously renew the temporary Certificate of Occupancy until a permanent Certificate of Occupancy for all of the Units has been issued. Sponsor will, at its sole expense, do and perform, or cause to be done and performed, all such work (subject to events and circumstances beyond Sponsor's reasonable control, e.g., casualty, strikes, governmental restrictions, acts of god, etc.), and will supply, or cause to be supplied, all such materials, and will submit or cause to be submitted all such documentation, and shall pay all applicable fees required by the New York City Department of Buildings that shall be necessary in order to cause the temporary Certificate of Occupancy to be continuously renewed until a permanent Certificate of Occupancy for the Building has been issued, as well as to obtain any requisite certificates or permits relative to the electrical work, plumbing, heating and air-conditioning facilities and elevators at the Building. Prospective Purchasers are advised that permanent Certificates of Occupancy are required for permanent use of the Building, and that a temporary Certificate of Occupancy may be renewed only for a total of two years from the first date of issuance. Sponsor projects, but cannot assure, that a permanent Certificate of Occupancy for the Building will be obtained within two years after the First Closing.

22. Terraces

Other than the terrace located on PH6, and the terrace on Floor 10, which are for the common use of all Residential Unit Owners and Commercial Unit Owners, Terraces are appurtenant to certain Residential Units, as identified in Schedule A and the Floor Plans set forth in Part II of the Plan. The Balconies and Terraces are Residential Limited Common Elements available for the exclusive use of the Residential Unit Owner of the Residential Unit to which such balcony or terrace, as the case may be, is appurtenant, subject to and in accordance with the

Declaration, By-Laws and Rules and Regulations as in effect from time to time. Each Residential Unit Owner shall be responsible for all ordinary maintenance and cleaning of each balcony or terrace appurtenant to its Unit; however, the costs and expenses of any repairs or replacements, structural or otherwise (unless caused by or attributable to the Residential Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense. (See Section B in Part I of the Plan for further discussion.)

23. Floor Numbering

As shown on the Floor Plans on file at Sponsor's office, the floors of the Building are designated as Cellar (below grade), 1st Floor (at grade), and 2nd through 7th Floors, 10th through 12th Floors, and 14th through 28th Floors, and PH1 through PH6 (above grade). There are no floors numbered 8th, 9th and 13th. All floor references in this Plan to particular floors ("Floors") of the Building are in accordance with such floor designations. (See Section A in Part I of the Plan.)

24. Increase or Decrease in Common Interest

The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the 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. Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Residential Units and a corresponding decrease or increase in the Common Interest appurtenant to the Commercial Unit. In such event, the Common Interest appurtenant to each individual Residential Unit, as the case may be, would be adjusted (by a minimal amount) pro rata. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such a change in the Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Common Interest of any Residential Unit be increased as a result of any of the foregoing by more than 5%.

25. Window Washing

The washing and cleaning of the interior and exterior glass surfaces of all windows in the Residential Units shall be the responsibility of the respective Residential Unit Owner. All window interiors and exteriors shall be cleaned a minimum of two times per calendar year at a cost of $150 per window washing. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior and exterior surfaces of windows located in their respective Units and charge the defaulting Residential Unit Owner therefore. Residential Unit Owners are prohibited from cleaning or allowing to be cleaned any window from outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise.

26. Reservation of Air/Development Rights

Sponsor has expressly reserved to the owner of Commercial Unit 2 all excess air or developmental rights (collectively, the "Development Rights") concerning the possible upzoning in the future which may become appurtenant to the Property. The owner of Commercial Unit 2 has the sole right to transfer or sell such Development Rights, provided, they will not be used to increase the volume of the Buildings nor will be transferred to an entity where they would be used to impact the light and air appurtenant to the Buildings or the economics of the Building. At this time there are no unused excess air rights. None of the Unit Owners (other than the owner of Commercial Unit 2) or the Condominium Board will have any interest in the rents, profits or revenues from the sale or use of any of the Development Rights.

27. Parking

It is currently anticipated that Commercial Unit 1 will initially be operated as a parking garage facility with an entrance ramp on New Street. While Sponsor may own such Unit, to the extent it is leased to a garage operator, the operator of the facility will determine and collect fees based upon rates to be set solely by such operator (subject to any applicable laws) and will establish such rules and regulations governing the availability and priority of spaces and the general operation of the garage as such operator may deem appropriate. Currently, there is no as-of-right parking permitted in the Building, therefore Sponsor will seek a Special Permit from the City Planning Commission for a public parking facility of not more than 150 spaces pursuant to Sections 13-552 and 74-52 of the Zoning Resolution; or, in the alternative, the Sponsor will seek a Special Permit from the City Planning Commission for an accessory parking facility pursuant to Section 13-561 of the Zoning Resolution. Sponsor makes no representation whatsoever regarding the rates to be charged to Unit Owners or other customers or the availability of such parking spaces on a monthly, reserved or any other basis. In addition, even to the extent available, no representation is made with respect to the expected date of completion or opening of such facility and as a result, parking may not be available at and for a period of time following the closing of title to any Unit.

28. Branding Agreement

The Board will enter into a branding agreement (the "Branding Agreement") with The Setai Group LLC, a New York limited liability company ("Setai Licensor") prior to the closing of title to the first Unit, pursuant to which the Condominium may use certain Setai trademarks and must adhere to certain brand standards promulgated by Setai Licensor.

29. Signage

There will be signs, notices, advertisements and illuminations (collectively "Signage") on various exterior portions of the Building, on or at windows and in interior public spaces of the Building, which may be affixed by Sponsor, the Board and/or one or more of the Commercial Unit Owners, all as and to the extent provided in the Declaration and/or By-Laws. Sponsor makes no representation and shall have no liability whatsoever with respect thereto. Any signage affixed by the Board that uses the Setai Intellectual Property shall be subject to the approval of Setai Licensor and subject to further terms and conditions of the Board Branding

Agreement. Only the Board is licensed to use the Setai Intellectual property under the terms of the Board Branding Agreement. No other party may use the Setai Intellectual Property in any signage, or otherwise, without the express consent of Setai Licensor.

30. Commercial Units

The Building includes 5 Commercial Units (the "Commercial Units") which are not being offered pursuant to this Offering Plan. The Commercial Units are designated as the Commercial Unit 1 (comprised of portions of the Cellar), the Commercial Unit 2 (comprised of a portion of the First Floor), the Commercial Unit 3 (comprised of a portion of the First Floor), the Commercial Unit 4 (comprised of a portion of the Second and Third Floor), and the Commercial Unit 5 (comprised of Floors 4 through 7). The Commercial Units may be used, occupied and operated for any legally permitted purpose, including, without limitation, retail, restaurant, banquet, banking, commercial, public event, office, hotel, residential or transient use, fractional or club ownership, storage, garage, and utility purposes. In the event that any Commercial Unit is used for fractional or club ownership use, a separate offering plan will be filed. In such event, these Commercial Unit Occupants will regularly arrive and leave, with luggage, via the commercial lobby. (See Sections F and Q of the Plan for further discussion.)

31. Spa

The Setai Club, located in Commercial Unit 4, will contain a restaurant and a health spa, a lounge, meeting rooms, a private dining room, wine storage, a double-height library, a fitness center, treatment rooms, male and female locker rooms, showers, and a hot tub. The Residential Unit owners will be members of the Setai Club for the first three years of condominium operation at a yearly fee of $500,000 payable monthly through the payment of Residential Unit Owners' common charges. No representation is made with respect to the continued use or operation of the Setai Club after such three-year period. However, after the first three years, as long as the Setai Club exists, Residential Unit Owners will remain members with a three percent increase per year thereafter. Commercial Unit Owners, their tenants, occupants and guests are not required to pay this $500,000 annual fee. Outside memberships will also be available to non-Unit Owners at to be determined rates. Access to the Setai Club will only be through the Commercial Lobby, and not the Residential Lobby. Residential Unit Owners will have access to all amenities and services of the Setai Club. Certain spa and beauty services will be available at additional charges. Food and beverage are not included in membership fees.

Sponsor is an affiliate of 40 Broad Commercial, LLC, a joint venture of the Setai Group LLC and Sponsor, which will operate the Setai Club. Sponsor makes no representation as to the continued existence of the Setai Club after the expiration of the third year of condominium operation. Sponsor makes no representation as to the use and ownership of Commercial Unit 4 at that time.

32. Measurement of Residential Units

The square foot area of the Units set forth in the floor plans and in Exhibit B to the Declaration (and Schedule A to the Plan) are approximate and were obtained by using the method customarily used in New York City to measure Condominium apartments. The

approximate square foot area of each Unit is measured horizontally from the exterior side of the glass or the exterior walls, at the Building line and/or Property line to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements. Columns and mechanical pipes (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Units. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit. The method of measurement is applicable to all Units. The room count for each Residential 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.

33. Home Office Rooms

Home Office Rooms/areas may not be used as bedrooms, living rooms or dining areas. The use of Home Office Rooms/areas as bedrooms, living, rooms or dining areas could result in violations against the Building.

PART I

A. INTRODUCTION

40 Broad LLC, a limited liability company organized and existing under the Law of the State of Delaware ("Sponsor"), hereby presents this Offering Plan (the "Plan") for the establishment of condominium ownership of the Land, Building and appurtenances thereto, situated on the west side of Broad Street between Beaver Street and Exchange Place and known by the street address 40 Broad Street, New York, New York 10004. The condominium will be known as the "The Setai Condominium Residences at 40 Broad Street" and is herein called the "Condominium."

The purpose of the Plan is to set forth in detail all material terms of the offering by Sponsor of the Units located in the Condominium offered hereby.* Sponsor may amend the Plan from time to time by filing an amendment with the New York State Department of Law ("Department of Law"), a copy of which amendment will be served on all purchasers of Units pursuant to executed Agreements who are not in default, and to all Unit Owners and to any other Offerees as may be required by applicable law or regulation.

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I of the Plan sets forth a general description of the offering and the rights and obligations of Sponsor and the Unit Owners. 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 and certifications by Sponsor, Sponsor's architect and Sponsor's financial experts. In addition to the Plan, Sponsor has filed separately with the Department of Law certain exhibits to the Plan 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, together constitute the entire offer of Sponsor to sell the Residential Units which are the subject of this Plan. Sponsor shall not make, and has not authorized any other party to make, any oral representations or statements concerning this Plan, and no such representations or statements shall be considered part of this Plan. No information, data or representations other than those contained herein or in the documents annexed hereto as exhibits in Part II of this Plan may be relied upon. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge, and for copying at a reasonable charge, at the Condominium's Sales Office by appointment.

The Condominium will be organized pursuant to Article 9-B of the Real Property Law of the State of New York, as amended, commonly known as and hereinafter referred to as

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* Each capitalized term used in Part I of the Plan shall have the meaning ascribed thereto in the section of the Plan entitled "Certain Definitions", unless otherwise clearly indicated or defined elsewhere.

the "Condominium Act." The Condominium is subject to and will comply with all statutes and regulations applicable to condominiums in the State of New York.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. 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 UNIT.

1. The Property

Sponsor acquired the Land, an approximately 15,984 square foot parcel, and the existing improvements, including the existing building (the "Building"), located at 40 Broad Street, New York, New York, on July 28, 2005. Sponsor intends to renovate the Building which, as more specifically described herein, upon completion of construction, will constitute the Condominium and include:

(a) One hundred sixty-seven (167) residential units (the "Residential Units") located on floors 10 through PH5, together with the entrance and residential lobby on the First Floor, and certain other Common Elements, will be operated as a luxury condominium building;

(b) 5 Commercial Units, located on floors Cellar through 7. Commercial Units may be used, occupied and operated for any legally permitted purpose, including, without limitation, retail, restaurant, banquet, banking, commercial, public event, office, hotel, residential or transient use, fractional or club ownership, storage, garage, and utility purposes;

(c) Facilities currently anticipated to include a Fitness Center, Lounge and Laundry Room located on the tenth floor, and rooftop amenities (including a terrace and solarium);

(d) Various utility and service areas located throughout the Building.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, renovation of the Building will be sufficiently completed to permit closings of title to Residential Units to begin in or about July, 2007. Prospective Purchasers should note, however, that the Residential Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit or if the Closing is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected 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: (i) the 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 1, 2007, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 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 Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence 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. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

As set forth in more detail in the Section entitled "Changes in Prices" in Part I of the Plan, Sponsor reserves the right to change the number of Units from time to time by subdividing and/or combining Units, even after the Condominium is created, except with respect to a Unit as to which a binding Agreement has been entered into and remains in effect unless the Purchaser thereof consents in writing to such change.

Sponsor further reserves the right to change the number of Units by, among other things, subdividing and reconfiguring the Commercial Units and, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration a portion of a subdivided Commercial Unit as Residential space as further described in this Plan.

A detailed description of the Property is contained in the Section entitled "Description of the Property and Improvements" in Part I, Section B of the Plan.

2. Features of Condominium Ownership

The ownership of a Condominium Unit is similar in many respects to the ownership of a private home. Each Unit Owner is the fee owner of his or her Unit. Each such Unit Owner also owns, in common with the owners of all other Units, an undivided interest in the Common Elements, which, as more particularly set forth herein and in the Declaration, include all parts of the Property other than the Units themselves, including, without limitation, the Land and the roofs, foundations and supports of the Building, and all areas, equipment or facilities for the common use of two or more Units or two or more Unit Owners.

Use and occupancy of all Units is governed by the Declaration and the By-Laws of the Condominium, the provisions of this Plan and applicable Legal Requirements.

As more particularly set forth in the By-Laws, a Residential Unit may generally be used only as a residence and, subject to compliance with the By-Laws and applicable laws, for a lawful home occupation. The Commercial Units may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial, office, hotel or transient use, storage, garage and utility purposes. The Board will have no right to restrict or limit any of

the uses of, or alterations in or to, the Commercial Units (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. It is currently anticipated that Commercial Unit 1 will initially be used for garage purposes and ancillary uses (on portions of the cellar); Commercial Unit 2 will be used for retail or restaurant purposes (on a portion of the first floor); Commercial Unit 3 will be used for retail or restaurant purposes (on a portion of the first floor); Commercial Unit 4 will be used for retail or restaurant purposes, spa purposes (on the second floor), and Commercial Unit 5 will be used for office purposes (on the fourth through seventh floors). The Commercial Units may be used for transient use, although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Units or with respect to who the owner or tenant(s) of Commercial Units may be at any time. Notwithstanding the foregoing, currently, there is no as-of-right parking permitted in the Building, therefore Sponsor will seek a Special Permit from the City Planning Commission for a public parking facility of not more than 150 spaces pursuant to Sections 13-552 and 74-52 of the Zoning Resolution; or, in the alternative, the Sponsor will seek a Special Permit from the City Planning Commission for an accessory parking facility pursuant to Section 13-561 of the Zoning Resolution. No income derived from any use of any Commercial Unit will constitute income to the Board or the Residential Unit Owners. (See Part I, Section F for further discussion.)

With certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Board to acquire or lease such Residential Unit on the same terms as were offered by the respective Unit Owner to the potential purchaser or lessee thereof. This right of first refusal in favor of the Board is not applicable to a sale or lease of the Unsold Residential Units or the Commercial Units. In no event will the Board have a right to acquire or lease any Unsold Residential Unit being sold and/or leased by Sponsor. Further, there is no limit to the number of owners who may purchase for investment, rather than personal occupancy, purposes. As such, there may always be a substantial percentage of Unit Owners who are non-residents of the Condominium. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Board" in Part I of the Plan.

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The costs of operation and maintenance of the Condominium, including both those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the Common Elements and various service contracts), will generally be borne by the Unit Owners in proportion to their respective Common Interests. The Commercial Unit Owners, who will receive in certain instances greater or fewer services from the Condominium, will bear a properly allocated share of the expenses of the Condominium, all as described in Schedules A and B of the Plan and Article 6 of the By-Laws. The estimated Common Charges for each Unit for the projected First Year of Condominium Operation are set forth in Schedule A.

Operation of the Condominium will be vested in the Board which will be elected by the Unit Owners and/or designated by Sponsor as described in the Plan and the By-Laws. As more particularly set forth in the By-Laws, the Board will determine the amounts of Common Expenses, the allocation of Common Expenses between the Residential Units and the Commercial Units, and will assess Unit Owners for Common Charges accordingly.

Residential Unit Owners may decorate the interior of their Residential Units in any way that they desire, subject to compliance with the By-Laws, the Rules and Regulations and applicable Legal Requirements and will be responsible for maintaining, repairing and painting their Residential Units and for complying with Legal Requirements applicable to their Residential Units, all at their own expense.

As set forth in the Condominium Documents, to promote a consistent appearance of the Building from the outside, each Residential Unit Owner will be required to install and maintain window treatments having a neutral-colored backing on the sides facing the windows in its Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board.

Residential Unit Owners must obtain the consent of the Board before altering their Residential Units in any way, subject to the further applicable provisions of the By-Laws. There are no limitations or restrictions upon the rights of the Commercial Unit Owners to decorate or alter their Units except those imposed by applicable Legal Requirements or as expressly provided in the Declaration and/or By-Laws, or Branding Agreement.

Each Unit Owner may mortgage his or her Unit with such lender and in such amount as he or she chooses, provided only that the Unit Owner satisfies all unpaid liens (other than any other permitted mortgages) against his or her Unit prior to making such mortgage. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

After The City of New York assesses as a separate tax lot each Unit and bills each Unit Owner, the Unit Owner will be responsible for paying the real estate taxes and assessments imposed against such Unit, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to any lien arising from the non-payment of, taxes and assessments imposed on other Units.

In the opinion of Kramer Levin Naftalis & Frankel LLP, Sponsor's Counsel, an individual Residential Unit Owner who itemizes deductions generally may, under the income tax laws and regulations in effect as of the date of this Plan, subject to certain limitations, deduct from his or her income for Federal, New York State and New York City income tax purposes:

(a) the annual real estate taxes assessed against his or her Residential Unit and paid or incurred by such Residential Unit Owner; and

(b) the annual interest paid or incurred by such Residential Unit Owner on mortgage indebtedness incurred to acquire or substantially improve his or her Residential Unit, provided that such Residential Unit is a qualified residence. A "qualified residence" generally is a person's principal residence and one other residence selected by the taxpayer.

Prospective Purchasers should refer to the Section entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium" in Section T below, as well as to Sponsor's Counsel's Income Tax Opinion reproduced in the Section U below, for a more complete discussion.

The Board will be responsible for maintaining casualty and liability insurance (excluding terrorism and mold coverage), with respect to the entire Building (including each Unit but excluding fixtures, furniture, furnishings, decorations, appliances and other personal property not constituting part of the Unit), together with all service machinery contained therein, in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of the Unit Owners and the Board of Managers" in Part I, Section Q for a more complete discussion. The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements appurtenant thereto. Consequently, all Residential Unit Owners are required to obtain and maintain comprehensive general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit and the Common Elements, if any, exclusive to his or her Unit. In addition, all Residential Unit Owners are urged to obtain casualty insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the By-Laws.

3. Offering of Units for Sale

Sponsor hereby offers the 167 Residential Units for sale under the Plan. No representation or warranty is made (other than as expressly set forth in this Plan) as to who the owner or tenant(s) of the Commercial Units may be at any time, or the uses to which such Units may be put at any time; and no income derived from any use of the Commercial Units will constitute income to the Board or the Residential Unit Owners.

There are no limitations on who may purchase such offered Residential Units. Sponsor reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Board, any Unit Owner or mortgagee, to refuse to approve and execute an Agreement for any Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, age, marital status or national origin, or as otherwise prohibited by applicable Legal Requirements.

The prices for the Units offered under the Plan are listed on Schedule A, entitled "Schedule of Purchase Prices and Other Financial Details for July 1, 2007 through June 30, 2008, the Projected First Year of Condominium Operation." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, to rent or lease, rather than sell, the Units offered hereunder. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell

more Units than the 15 percent of Units necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium.

In the event Sponsor makes a bulk sale of all or some of the Unsold Residential Units, the transferee is entitled to and bound by those additional rights and obligations (including the aforementioned representation regarding good faith efforts to sell the Units) applicable to a "sponsor" as more fully described in the Plan.

The estimated Common Charges for each Unit for the projected First Year of Condominium Operation are also set forth in said Schedule A. In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit (although the By-Laws provide for a limited period of time following the recording of the Declaration when the Units may not be separately assessed), and interest and amortization payments on the mortgage, if any, which such Purchaser may obtain. Further, Unit Owners may be responsible for additional charges for services which they choose to use at their option. (See the Section entitled "Available Services and Facilities" in Part I, Section B).

Schedule A sets forth the estimate for the amount of real estate taxes which will be payable with respect to each Unit during the fiscal tax year from July 1, 2007 through June 30, 2008. See Note 7 to Schedule A hereof with respect to the basis of such estimate.

It is anticipated that Unit 10A will be occupied by the Resident Manager of the Building. This Unit will be leased by the Board on behalf of the Unit Owners at or after the First Closing. The Lease will be for a term of ten (10) years. The monthly rent shall be $3,500 fixed for the first five years of the lease term and subject to 3% increase for each year thereafter. The payments to be made to Sponsor under the lease will be included in the Common Charges payable by Unit Owners, and each Unit Owner will be individually liable therefore to the extent of his or her percentage of Common Interest. (See Note 16 to "Schedule B" for further details.)

4. Certain Definitions

For convenience, general definitions of certain of the terms used in Part I of the Plan are set forth below, which definitions are subject, in many cases, to the more particular definitions of such terms set forth in the Declaration and By-Laws included in Part II of the Plan.

Alteration: The alteration, addition, improvement of the Building or any part thereof.

Agreement: The option agreement to purchase a Unit pursuant to the Plan, the form of which is set forth as Exhibit 1 in Part II of the Plan.

Board: The board of managers of the Condominium, also sometimes referred to as the "Condominium Board."

Building: The new building and other improvements to be located on the Land and commonly known as 40 Broad Street, New York, New York.

By-Laws: The by-laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan, including the Rules and Regulations.

City Register's Office: The New York County office of the Register of The City of New York.

Commercial Units: The Units designated in the Declaration as Commercial Units (the 5 Commercial Units (collectively, the "Commercial Units")) as the same may be subdivided or combined in accordance with the Declaration and/or By-Laws.

Commercial Unit Owner: The owner of any Commercial Unit at the time in question.

Common Charges: Assessments payable to the Board by Unit Owners for the purpose of meeting Common Expenses. Generally, Residential Unit Owners will pay Common Charges based on their proportionate share of Common Expenses. Common Charges payable by each Commercial Unit Owner will be based on its allocated share of those Common Expenses incurred by the Board in furnishing services to, or in operating, maintaining and repairing those Common Elements that are used by such Commercial Unit Owner, in accordance with the provisions of the By-Laws.

Common Elements: The entire property, including the Land and all parts of the Building and other improvements thereon, other than the Units. The Common Elements include, among other things, the foundations, roofs and supports of the Building and all areas, equipment or facilities for the common use of all or some of the Units or all or some of the Unit Owners. The Common Elements include the General Common Elements and Residential Limited Common Elements.

Common Expenses: The costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and the provision of services to Unit Owners.

Common Interest: The proportionate undivided interest in fee simple absolute in the Common Elements appertaining to each Unit, expressed as a numerical percentage and determined in accordance with the Declaration. The total Common Interest appertaining to all Units equals 100%. As described more fully in the By-Laws, generally, the Common Interest is the basis of determining, among other things, a Unit Owner's voting power and general liability for a share of the Common Expenses.

Condominium: The Setai Condominium Residences at 40 Broad Street.

Commercial Unit Owner: An owner of any Commercial Unit at the time in question. Owners of all Commercial Units are collectively called the "Commercial Unit Owners."

CPI Increase Factor: An increase proportionate to any increase in the cost of living from the date of the initial recording of the Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for

New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Board.

Declaration: The instrument creating the Condominium, the form of which is set forth in Part II of the Plan as Exhibit 7.

Department of Buildings: The Department of Buildings of The City of New York.

First Closing: The first date upon which title to any Residential Unit is conveyed to a Purchaser under the Plan.

First Year of Condominium Operation. The 12-month period commencing on the date of the First Closing, currently anticipated to be the period from July 1, 2007 through June 30, 2008.

Floor Plans: The floor plans of the Building which will be filed with, and approved by, the Real Property Assessment Bureau of The City of New York and the City Register's Office at the time the Declaration is recorded. The Floor Plans will show the locations of the Units and the Common Elements in the Building.

General Common Elements: All of the Common Elements which are not Residential Limited Common Elements, as more particularly described in the Declaration and as shown on the Floor Plans for the Building.

Initial Control Period: The period ending upon the later to occur of: (a) the fifth anniversary of the First Closing; or (b) the closing of title to Units representing more than 75%, both in number and in aggregate Common Interests, of all Residential Units.

Land: The land situated on the west side of Broad Street, New York, New York, comprising the parcel commonly known as 40 Broad Street, New York, New York, as further and more particularly described in the Declaration.

Legal Requirements: All laws, statutes and ordinances (including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the Boards of Fire Underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof, all as more fully provided in the By-Laws.

Managing Agent: It is anticipated that the managing agent of the Condominium will initially be Cooper Square Realty, a management firm engaged in the management of luxury residential buildings in New York City, pursuant to a management agreement, as more fully discussed in "Management Agreement" in Part I, Section W of this Plan.

Offeree: A Purchaser who has executed and delivered an Agreement to Sponsor or Selling Agent and whose Agreement is in effect.

Permitted Encumbrances: Those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly itemized on Schedule A annexed to the form of Agreement.

Permitted Mortgage: A mortgage of a Unit or Units permitted to be placed thereon pursuant to the provisions of the By-Laws.

Plans and Specifications: The plans and specifications for the renovation of the Building which (to the extent required by applicable Legal Requirements) have been or will be filed with the Department of Buildings and which may, from time to time, hereafter be amended in accordance with the provisions of the Plan.

Property: The Land, the Building and the appurtenances thereto, including, without limitation, all Common Elements.

Purchaser: A purchaser of one or more of the Units offered hereunder pursuant to an Agreement.

Repair: Any repair, replacement, or restoration of the Building or any part thereof.

Residential Limited Common Elements: Those Common Elements which serve or benefit exclusively all or a combination of the Residential Units, as more particularly described in the Declaration.

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

Residential Unit Owner: An owner of any Residential Unit at the time in question.

Rules and Regulations: The rules and regulations of the Condominium made in accordance with the By-Laws and attached thereto as Schedule A, as the same may be amended from time to time in accordance with the applicable provisions of the By-Laws.

Sales Office: The sales office for the Condominium, at a location to be designated by the Selling Agent from time to time. The Sales Office will initially be located at The Marketing Directors, Inc., 40 Broad Street, New York, New York.

Selling Agent: THE MARKETING DIRECTORS, INC., having an address at 750 Lexington Avenue, New York, New York 10022.

Setai Licensor: The Setai Group, LLC, a New York limited liability company.

Sponsor; Sponsor or its designee; or similar phrases: Sponsor, any affiliate of Sponsor or a designee of Sponsor. An affiliate of Sponsor shall be deemed to be (i) a person or entity who or which owns 25% or more of the legal or beneficial interest of Sponsor or (ii) an entity with respect to which Sponsor owns 25% or more of the legal or beneficial interest.

Sponsor's Office: The office of Sponsor located at c/o Zamir Equities, 587 Fifth Avenue, 7th Floor, New York, New York 10017 or any other office regularly maintained by Sponsor in the City of New York.

Terrace: Any of the terraces appurtenant to a Residential Unit as shown on the Floor Plans.

Title Company: Any of (a) Royal Abstract of New York LLC (500 Fifth Avenue, New York, New York 10110, Attn: Marty Kravet, (212) 376-0900); (b) Chicago Title Insurance Company (711 Third Avenue, 5th Floor, New York, New York 10017, Attn: Elliot L. Hurwitz (212) 880-1400); or (c) First American Title Insurance Company of New York (633 Third Avenue, New York, New York 10017; Attn: Bruce Clay; (212) 922-9700), or such other or additional company/ies designated by Sponsor in an amendment to this Plan.

Unit: Any space designated as a Residential Unit or Commercial Unit in the Declaration, consisting, generally, of the relevant condominium unit in the Building and an appurtenant undivided interest in the Common Elements and, with respect to the Residential Units, the Residential Limited Common Elements. All or any of such Units are collectively referred to as the "Units."

Unit Owner or Owner: The owner of a Unit at the time in question.

Unsold Residential Units: Any of the Residential Units owned by Sponsor or its designee, other than any such Residential Unit purchased by and for the use of Sponsor or its designee. All or any of such Units are collectively referred to as the "Unsold Residential Units."

Zoning Resolution: Zoning Resolution of The City of New York, effective as of December 15, 1961, as the same has been and hereafter may be amended from time to time.

All other capitalized terms used in Part I of the Plan which 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. Unless the context otherwise requires, words used in the singular include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

B. DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS

The following is a general description of the Property, including the Land, Building, Units and Common Elements, as well as certain facilities and services anticipated to be provided at the Condominium. For a more detailed physical description of the Property, see "Description of Property and Specifications" in Part II of the Plan.

1. The Building

The Building is located on the Land, situated on the west side of Broad Street in New York, New York between Beaver Street and Exchange Place. The Land is identified as Block 24, Lot 32 on the Tax Map of the Borough of Manhattan.

The Building was originally constructed as a 24-story Class A office building. Initial construction of the building began in 1986, and it opened in 1988. The Building has approximately eighty-two (82) feet of frontage on Broad Street and one hundred twenty-six (126) feet of frontage on New Street. The façade is made of pre-cast concrete panels with a single large centered window in each panel. There is an excavated single truck dock entrance on the New Street side of the Building providing access to the Building's freight elevator.

The Building will contain 167 Residential Units and 5 Commercial Units, and a Fitness Center and Lounge, located on the 10th Floor, and a Terrace on PH6.

Sponsor has engaged Avinash K. Malhotra Architects, as architect of record. In addition, George Langer Associates has been retained as mechanical and electrical engineer, Goldstein Associates, as structural engineer, and Newmark Construction as construction manager. (See "Identity of Parties" in Part I, Section X.) The Plans and Specifications for the Building have been prepared by Avinash K. Malhotra Architects, in consultation with such other professionals.

Renovation of the Building, including the individual Units, will be completed substantially in accordance with the Plans and Specifications, and otherwise in accordance with the Zoning Resolution, the Building Code of The City of New York and all other applicable Legal Requirements. However, 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) and substitute in place of any materials, appliances, equipment and fixtures set forth therein or in Exhibit 5 in Part II of the Plan, items of substantially equal or better quality, provided, however, that any material change shall be set forth in an amendment to the Plan, that any necessary approval of any governmental authority having jurisdiction is first obtained, and that no such amendments, modifications or substitutions may be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event, Sponsor will, in the amendment

disclosing such change and delivered to the Purchasers, offer any materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.)

The location in the Building, and the size, layout and approximate square footages of the Units are shown on the floor plans duplicated in Exhibit 6 of Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Residential Units, to add additional Units by subdividing Unsold Residential Units or to subdivide the Commercial Units and redesignate a portion of the certain space formerly contemplated to be part of one or more Commercial Unit to be Residential space or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Residential Units, as further described in Part I, Section G hereof, provided, however, that any material change (for example, a reduction in square footage in excess of 5%) shall be set forth in an amendment to the Plan, and no material adverse change will be made in the size (i.e., decrease), configuration or layout of a Unit for which an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved of any obligations under the Agreement, by virtue of a minor inaccuracy or error in the floor plans. With regard to size, such minor error would mean a decrease of 5% or less or any increase in the size of any Unit or room contained in a Unit.

The Building incorporates highly sophisticated mechanical equipment designed to provide for the physical comfort and convenience of the Building's occupants. During normal operation of this equipment, some occupants of Residential Units adjacent to or in the vicinity of the equipment floors and equipment areas of the Building may perceive noise and/or vibration from the equipment. The sole obligation of Sponsor and the Board with respect to such noise and/or vibration shall be to install and operate such equipment in a manner consistent with commercially reasonable practices in typical luxury high-rise residential buildings and in compliance with applicable Legal Requirements, including the New York City Building Code.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, renovation of the Building will be sufficiently completed to permit closings of title to Residential Units to begin in or about July, 2007. Prospective Purchasers should note, however, that the

Residential Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected 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: (i) the 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 1, 2007, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 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 Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence 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. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

2. Residential Units

There will be a total of 167 Residential Units located on the 10th Floor through PH5. Unit 10A will serve as the Resident Manager's Unit. The Residential Units vary in size from studios with approximately 520 square feet to 2-bedroom apartments with approximately 2,900 square feet. Detailed descriptions of the Residential Units are set forth in the Declaration and in Exhibit 5 in Part II of the Plan. Exhibit 4 also includes a detailed description of the fixtures, finishes, appliances and equipment included in each Residential Unit.

The height of the Residential Units, measured from the top of the floor slab to the bottom of the ceiling slab or the underside of metal, will generally be 10'6" at Floors 10 through 28 and 11'6" at Floors PH1 through PH5. Ceiling heights in the kitchens, powder rooms, bathrooms and foyers will be approximately 6'8" to 8'0" but may vary. Ceiling heights in the public corridors will be approximately 8'0" to 10'0" but may vary. At beam drops and/or where there are concealed mechanical pipes or ducts or dropped ceilings, heights may be lower than the above stated heights and may also vary slightly from room to room.

There will be no modifications or extras for any Residential Unit unless set forth in the Agreement for such Residential Unit. Moreover, Sponsor shall not be obligated to correct and shall have no liability or responsibility to any Purchaser for, and no Purchaser shall be entitled to any reduction in or credit against the purchase price of his or her Residential Unit or be otherwise relieved from performing his or her obligations under the Agreement as a result of minor or insubstantial inaccuracy or error in the floor plans for such Residential Unit as set forth in Part II of the Plan.

3. Commercial Units

The Condominium will also initially include 5 Commercial Units which are not being offered pursuant to this Offering Plan. The Commercial Units are designated as Commercial Units numbered 1 through 5 (collectively, the "Commercial Units"), located on floors Cellar through 7 of the Building. Each Commercial Unit may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial, office, hotel or transient use, storage, garage and utility purposes. The Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Units (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. It is currently anticipated that Commercial Unit 1 will initially be used for garage purposes and ancillary uses (on portions of the cellar); Commercial Unit 2 will be used for retail or restaurant purposes (on a portion of the first floor); Commercial Unit 3 will be used for retail or restaurant purposes (on a portion of the first floor); Commercial Unit 4 will be used for retail or restaurant purposes, spa purposes (on the second floor), and Commercial Unit 5 will be used for office purposes (on the fourth through seventh floors). The Commercial Units may be used for transient use. No representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Units or with respect to who the owner or tenant(s) of the Commercial Units may be at any time.

Subject to the foregoing and all applicable zoning regulations and the Declaration and By-Laws, any Commercial Unit may be sold, leased or subleased by the applicable Commercial Unit Owner, or subdivided by the applicable Commercial Unit Owner into two or more separate commercial condominium units and such subdivided units sold or leased. (See "Commercial Units" in Part I, Section F hereof.) None of the Residential Unit Owners nor the Board will have any interest in the rents, profits or revenues from the rental or use of any space in the Commercial Unit.

No representation is made with respect to the type or identity of the owners, tenants or occupants of any portion of any Commercial Unit at any time, or the purposes for which any portion of any Commercial Unit may be used at any time.

4. Fitness Center

As indicated on the Floor Plans, a fitness center will be located on the tenth floor of the Building. All Residential Unit Owners shall have the right to access and use the Fitness Center, subject to the right of the Board to regulate its use in accordance with the Residential By-Laws and the Residential Rules and Regulations. The Board shall be responsible for all maintenance and repairs (whether structural or otherwise) of the Fitness Center and all the equipment and machinery therein, and the costs and expenses associated therewith shall be allocated to Unit Owners as set forth in the Notes to Schedule B or as otherwise provided in the By-Laws. The fitness center will have a maximum occupant capacity of 30 persons.

5. Terraces

As indicated in Schedule A, Terraces, except for those located on the 10th Floor or the Roof, are appurtenant to certain Residential Units. Each Terrace is a Residential Limited

Common Element. The Residential Unit Owner of a Residential Unit having a Terrace shall have the exclusive use of the Terrace appurtenant thereto, subject to the right of the Board to regulate its use in accordance with the Residential By-Laws and the Residential Rules and Regulations; and such Residential Unit Owner shall be responsible for all normal maintenance, repairs and replacements to such Terrace. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to any Terrace (unless caused by or attributable to the Residential Unit Owner thereof) shall be charged to all Residential Unit Owners as a Common Expense.

The Board shall have the right to require a Residential Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the roof or other portion of the Building or is otherwise unsafe. In addition, the Board shall have the right, in connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on any Terrace. In no event shall any Residential Unit Owner of a Residential Unit having a Terrace be permitted to enclose or erect any structure on such Terrace. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Residential Units and to insure the integrity of the Building and the health and safety of the occupants.

6. Common Elements

As is set forth in more detail in the Declaration, the Common Elements consist of the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration) and all parts of the Building other than the Units themselves, including, generally, the foundations, roofs and supports of the Building and all other parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Units and Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Common Elements are divided into the following separate categories: (i) the General Common Elements, which are, generally, those Common Elements which serve or benefit all the Units or Unit Owners; and (ii) the Residential Limited Common Elements, which are, generally, those Common Elements which serve or benefit exclusively the Residential Units or the Residential Unit Owners. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains. For a detailed description of the Common Elements, see Exhibit 5 in Part II of the Plan and Article 7 of the Declaration (Exhibit 7 in Part II of the Plan).

a. General Common Elements

The General Common Elements consist of all Common Elements other than the Limited Common Elements, and include, among other things, the following: (i) the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration); (ii) all foundations, foundation walls, roofs (except as otherwise expressly provided in the Declaration), footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings; (iii) the chillers and related support structures including the cooling tower; (iv) all passages and corridors, mechanical and other

utility rooms, all fire staircases, landings and stairs, areas and spaces located in the Building, which are not Residential Limited Common Elements or included in any Unit; (v) any ventilation supply system consisting of motors, ductwork, fans and controls return piping, serving or benefiting any combination of the Residential Units and the Commercial Units; (vi) hot water and chilled water systems; (vii) all mechanical equipment and associated piping and controls serving or benefiting any combination of the Residential Units and the Commercial Units; (ix) all electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards serving or benefiting any combination of the Residential Units and the Commercial Units, excluding, however, all such items located within a Unit and serving only such Unit; (x) all plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot and chilled water, including pumps, valves, pressure reducers, meters and water heaters and chillers, excluding, however, all such items located within a Unit and serving only such Unit; (xi) all storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit; (xii) all electric service rooms, gas, steam and water meter rooms, Building storage rooms, workrooms, locker rooms, telephone rooms and other service, mechanical and utility rooms serving or benefiting any combination of the Residential Units and the Commercial Unit; (xiii) all other facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of any combination of the Residential Units and the Commercial Unit; (xiv) one service elevator serving the Floors 1 through PH5 of the Building, including the shaft, the elevator equipment, elevator pit, entrance and appurtenant facilities; and (xv) all other parts of the Property either existing for the common use of any combination of the Residential Units and the Commercial Units, or their respective Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains. For a detailed description of the Common Elements, see Article 7 of the Declaration (Exhibit 7 in Part II of the Plan).

b. Residential Limited Common Elements

The Residential Limited Common Elements consist of the following: (a) the residential lobby and entrance located on the First Floor and entered from Broad Street; (b) all passages, corridors, storage rooms, housekeeping areas, mechanical and other rooms, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building which exclusively serve or benefit the Residential Units and are not part of any Unit; (c) the three (3) passenger elevators, in each case including the shafts, elevator equipment, elevator pits and entrances and appurtenant facilities; (d) smoke detection alarm system, telephone system and cable television system; (e) the Fitness Center, Lounge and Laundry Room located on Floor 10 for use solely by occupants of Residential Units; (f) the terrace and solarium located on PH6; (g) all Building storage rooms, locker rooms, telephone rooms and other service, mechanical and utility rooms serving or benefiting only the Residential Units; (h) all security monitors and equipment and other security facilities serving or benefiting only the Residential Units; (i) all other systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit or are necessary or

convenient for the existence, maintenance, operation or safety of the Residential Units; and (j) the terrace appurtenant to any particular Residential Unit (although the benefited Residential Unit Owner shall have the responsibilities with respect thereto as are set forth in the By-Laws).

7. Available Services and Facilities

Generally, all services normally associated with the operation and maintenance of a luxury residential condominium will be provided to Residential Unit Owners at no cost other than Common Charges; these are described below in the Section entitled "Building Standard Services and Facilities". There will be a variety of other services offered which will be available to Residential Unit Owners and Commercial Unit Occupants at their option. (See "Optional Services" described below). Notwithstanding the foregoing, however, the Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

a. Building Standard Services and Facilities:

(i) Fitness Center. The Fitness Center on the tenth floor will have machinery for cardiovascular and strength workouts. At this time, the equipment at the Fitness Center is contemplated to include the following (all such information subject to change): four treadmills, four ellipticals, two upright bikes, two recumbent bikes, one cable motion dual adjustable pulley, two adjustable benches, one dumbbell rack with 5 to 50-lb. dumbbells, one shoulder press machine, one chest press machine, one abdominal machine, one lat pulldown machine, one row/rear delt machine, one leg extension machine, one leg curl machine, and one leg press machine.

(ii) Lounge. This space on the tenth floor will serve as a gathering area for exclusive use by the residents. It will contain television, a pool table, and comfortable seating.

(iii) Laundry Room. There will be a laundry room on the tenth floor, which will contain two (2) card-operated washing machines and two (2) card-operated dryers.

(iv) Doorman. A doorman will be on duty at the street entrance to the lobby from 7:00 a.m. until 11:00 p.m., seven days a week. The doorman is expected to open doors, hail taxicabs and assist residents and guests with packages and luggage.

(v) Concierge. There will be a concierge on duty in the lobby area and available 24 hours per day/seven days per week.

(vi) Elevator Service. The passenger elevators will be automatically operated and therefore will be in service as necessary, 24 hours per day, seven days per week.

(vii) Communications Facilities, Intercom Service, and Internet connection. Each Residential Unit will be equipped with an internal telephone system. This system will enable the occupants of each Residential Unit to communicate directly with the concierge and/or front desk regarding the admission of guests, visitors and, in the case of

Building personnel, prior notice of their imminent arrival. Each Residential Unit will also come prewired to accommodate DSL and cable modem Internet access.

(viii) Package Room. There will be a package room located in the service corridor adjacent to the lobby. The valet (or, after hours, the concierge) will accept deliveries of packages and store them temporarily in the package room until picked up by the Unit Owner or occupant.

(ix) Mail. All incoming mail will be delivered by the United States Postal Service to locked mail boxes.

(x) Maintenance Personnel. Building personnel will include a Resident Manager and handymen, porters and cleaning staff as may be necessary for the proper maintenance and cleaning of the common areas.

(xi) Refuse Disposal. There will be recycling bins and a refuse chute located on each residential floor. The chutes will lead directly to an automatic compacting facility within the building where refuse will be automatically compressed. Building staff will transfer the compressed refuse to the sidewalk as needed pending collection by the City of New York Department of Sanitation. Recycling bins on each residential floor will be emptied as necessary by Building staff. The Commercial Unit Owners will be responsible, at their sole cost and expense, for storing and disposing of their refuse in a manner which complies with all applicable Legal Requirements.

(xii) Other Service Contracts. Certain additional services covered by third-party contracts, such as elevator maintenance are included in Building standard services.

(xiii) Security Procedures. All entrances to the Building will be monitored by employees of the Condominium, cameras and/or electronic alarm systems. No representation or warranty is made and no assurance is given that the security systems and procedures of the Building will prevent personal injury or damage to or loss of personal property.

b. Optional Services (available to Residential Unit Owners upon payment of an additional fee:

(i) **Housekeeping Service.** A staff of housekeepers will be available on a part-time or full-time basis from an independent concessionaire for Residential Unit Owners who desire housekeeping services. Such service shall be coordinated through the concierge or by the Residential Unit Owner's direct arrangement with the concessionaire. It is anticipated that the rates charged for such housekeeping service will be approximately equivalent to those charged for similar services at other premier quality locations elsewhere in New York City. Such charges will be payable directly to the concessionaire by the Residential Unit Owners using such service. Unit Owners may also arrange housekeeping services for their Residential Units with other third-party services.

(ii) **Valet Service.** It is anticipated that valet service will be available on site in the lobby through an independent valet operator. The rates charged for these services will be approximately equivalent to those charged under similar circumstances at other quality locations elsewhere in New York City. Such charges will be payable directly to the valet operator by the Unit Owner, tenant or occupant using such service. On a fee for service basis, it is anticipated that the valet will assist residents with services such as arranging for professional laundry and dry cleaning, tailoring and alterations, shoe repair, housekeeping services, reservations and bookings for car and limousine services, restaurant reservations, referrals to clerical services, dog walking and pet boarding services, babysitting referrals, reserving theater, sporting and entertainment tickets, catering and party services and the like. At no per-use cost, the valet service attendant will accept deliveries of packages and store them temporarily until picked up by the Residential Unit Owner or occupant. Purchasers are advised that not all of these services may be offered and those that are offered may not be available at all times. It is anticipated that other than the costs of individual services utilized by residents, there will be no fee payable by the Condominium in respect of the valet services. In the event the third-party vendor pays the Condominium for the right to operate and offer its services in the Building, such amounts shall serve to defray the Residential Unit Owners' Common Expenses.

(iii) **In-Room Dining.** Room service is expected to be offered to occupants of Residential Units, subject to availability and advance notice, with fees and delivery charges to be determined by the operator of the restaurant, which is expected to be located in the Commercial Unit 2. (Sponsor expects that such services will initially be available approximately 12 months after the anticipated First Closing.)

(iv) **In-Room Spa Services.** The spa is expected to offer a variety of relaxation and beauty treatments. These services will be available in Residential Units and guests of Residential Unit Owners subject to advance booking on a restricted/availability basis.

c. General Provisions Concerning Services and Facilities:

No representation or warranty is made as to the continued operation or existence of any of the foregoing services or facilities and neither Sponsor nor the Board shall have any liability with respect to or arising from any Unit Owner's, tenant's or occupant's use of any of the foregoing or the amount of the fees charged therefor.

In all likelihood, the nature of the services listed above, the hours during which they are provided and the rates charged for same will change from time to time, in the discretion of the Board, the Managing Agent or other party providing the service. However, all services required by law will be provided at all times. Neither Sponsor, the Managing Agent, the Selling Agent nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any of such 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 or damage occurs as a result of the gross

negligence or willful misconduct of Sponsor, the Managing Agent, the Selling Agent or the Board, as the case may be.

The Board has complete discretion in determining how these facilities will be operated, maintained or modified, whether facilities should be added or discontinued, and the rates to be charged for their use. No representation or warranty is made as to the continued operation or existence of any of the foregoing facilities, or the amount of the fees charged therefor.

Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services (such as a full staff of personnel) may not be available until the later of: (i) twelve months after the First Closing; or (ii) the closing of title to and occupancy of at least 50% of the Residential Units. In addition, certain amenities described in the Plan may not be arranged or available until after such interim period. However, it is anticipated that at all times after the First Closing, the lobby will be attended 24 hours per day, seven days per week, and there will be at least one elevator servicing every floor on which there are occupied Residential Units. The interim level of staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may be incomplete and may be disrupted temporarily and from time to time. See the Special Risks entitled "Interim Service Period" and "Additional Building Work" above.

Purchasers are further advised to note that construction/renovation in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular purchaser's Residential Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Residential Unit Owners within their Residential Units (to perform custom renovations, etc.); and (iii) the Commercial Unit Owners to complete construction, build-out, furnishing and equipping their Units. During at least the First Year of Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of construction, fitting out of, and moving into, the Residential Units and other portions of the Building. Residential elevators and personnel may be taken out of service and diverted to facilitate construction and exterior hoists may be in place during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with construction being performed in Residential Units by the Unit Owners thereof. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain

portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Residential Unit Owners (e.g., the Fitness Center, spa, etc.) may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued or disrupted. Further, the Board and/or Sponsor may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and permanent certificate(s) of occupancy have been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Residential Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

Sponsor and its designee(s) shall have the right, until the tenth anniversary of the First Closing, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Residential Units) or otherwise.

C. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is situated at 40 Broad Street, New York, New York, on the west side of Broad Street on a portion of the block between Exchange Place and Beaver Street, in the heart of the downtown financial district.

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

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

Transportation to and from the Building, and throughout New York City, is readily available by taxi, limousine, private automobile, subway or bus. In addition to the parking garage which may be operated within Commercial Unit 1 in the Building, a number of commercial parking garages are located nearby.

A number of excellent medical centers, such as New York University Downtown Hospital, are readily accessible.

All public services, including schools, police protection, library, street maintenance, social services and fire protection are provided by The City of New York. The Property is located at 40 Broad Street, between Beaver Street and Exchange Place, which are dedicated New York City roads. The nearest police precinct headquarters is the 1st Precinct located at 16 Ericsson Place. Fire protection is provided from the Engine 4/Ladder 15 firehouse situated at 42 South Street.

In addition, other attractions within walking distance from the Property include The New York Stock Exchange, breathtaking views of the New York Harbor, City Hall, Battery Park, the South Street Seaport, The Hudson River Park, Trinity Church, St. Paul's Chapel, The Smithsonian National Museum of the American Indian, the Museum of Jewish Heritage, the Skyscraper Museum, the South Street Seaport Museum, The Museum of American Financial History, the Fraunces Tavern Museum, the Tribute Museum, and Madison Square Garden.

2. Zoning

The Condominium is located in an area zoned C5-5 under the New York City Zoning Resolution. The zoning permits residential and commercial uses. The intended use of the Building as described in accordance with the provisions of this Plan will be in compliance with the current requirements of the Zoning Resolution. A copy of the zoning regulations and variances with respect to the Project is on file at the Sponsor's office.

Setai Condominium Residences at 40 Broad Street 11/29/06 11:07 AM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08) (1)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
*10A	1BR/1B		718	810,000	0.30080%	0.46221%	1,002.31	490.75	424.70	5,889	5,096	1,493.06	1,427.01
10B	1BR/1B		845	865,000	0.35377%	0.54396%	1,179.60	577.55	499.82	6,931	5,998	1,757.15	1,679.41
11A	1BR/1B		931	950,000	0.38977%	0.59933%	1,299.65	636.33	550.69	7,636	6,608	1,935.99	1,850.34
11B	1BR/1B		859	915,000	0.35963%	0.55298%	1,199.14	587.12	508.10	7,045	6,097	1,786.26	1,707.24
11C	ST/1B		581	650,000	0.24324%	0.37402%	811.06	397.11	343.66	4,765	4,124	1,208.17	1,154.72
11D	1BR/1B		823	880,000	0.34455%	0.52980%	1,148.89	562.52	486.80	6,750	5,842	1,711.40	1,635.69
11E	1BR+/2B		1100	1,240,000	0.46052%	0.70812%	1,535.57	751.85	650.65	9,022	7,808	2,287.42	2,186.22
11F	ST/1B		613	645,000	0.25664%	0.39462%	855.73	418.98	362.59	5,028	4,351	1,274.71	1,218.32
11G	1BR/1B		739	860,000	0.30939%	0.47573%	1,031.62	505.10	437.12	6,061	5,245	1,536.73	1,468.74
11H	1BR+/2B		1338	1,360,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
12A	1BR/1B		931	960,000	0.38977%	0.59933%	1,299.65	636.33	550.69	7,636	6,608	1,935.99	1,850.34
12B	1BR/1B		859	925,000	0.35963%	0.55298%	1,199.14	587.12	508.10	7,045	6,097	1,786.26	1,707.24
12C	ST/1B		581	655,000	0.24324%	0.37402%	811.06	397.11	343.66	4,765	4,124	1,208.17	1,154.72
12D	1BR/1B		823	890,000	0.34455%	0.52980%	1,148.89	562.52	486.80	6,750	5,842	1,711.40	1,635.69
12E	1BR+/2B		1100	1,255,000	0.46052%	0.70812%	1,535.57	751.85	650.65	9,022	7,808	2,287.42	2,186.22
12F	ST/1B		613	650,000	0.25664%	0.39462%	855.73	418.98	362.59	5,028	4,351	1,274.71	1,218.32
12G	1BR/1B		739	870,000	0.30939%	0.47573%	1,031.62	505.10	437.12	6,061	5,245	1,536.73	1,468.74
12H	1BR+/2B		1338	1,375,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
14A	1BR/1B		931	970,000	0.38977%	0.59933%	1,299.65	636.33	550.69	7,636	6,608	1,935.99	1,850.34
14B	1BR/1B		859	935,000	0.35963%	0.55298%	1,199.14	587.12	508.10	7,045	6,097	1,786.26	1,707.24
14C	ST/1B		581	660,000	0.24324%	0.37402%	811.06	397.11	343.66	4,765	4,124	1,208.17	1,154.72
14D	1BR/1B		823	900,000	0.34455%	0.52980%	1,148.89	562.52	486.80	6,750	5,842	1,711.40	1,635.69
14E	1BR+/2B		1100	1,270,000	0.46052%	0.70812%	1,535.57	751.85	650.65	9,022	7,808	2,287.42	2,186.22
14F	ST/1B		613	655,000	0.25664%	0.39462%	855.73	418.98	362.59	5,028	4,351	1,274.71	1,218.32
14G	1BR/1B		739	880,000	0.30939%	0.47573%	1,031.62	505.10	437.12	6,061	5,245	1,536.73	1,468.74
14H	1BR+/2B		1338	1,390,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
15A	1BR/1B		932	980,000	0.39019%	0.59997%	1,301.05	637.02	551.28	7,644	6,615	1,938.06	1,852.32
15B	2BR/2B		1123	1,185,000	0.47015%	0.72293%	1,567.68	767.57	664.25	9,211	7,971	2,335.24	2,231.93
15C	1BR+/2B		1161	1,270,000	0.48606%	0.74739%	1,620.72	793.54	686.73	9,522	8,241	2,414.26	2,307.46
15D	1BR/1B		943	895,000	0.39479%	0.60705%	1,316.40	644.54	557.78	7,734	6,693	1,960.94	1,874.19
15E	ST/1B		475	650,000	0.19886%	0.30578%	663.09	324.66	280.96	3,896	3,372	987.75	944.05
15F	1BR/1B		674	800,000	0.28217%	0.43388%	940.89	460.68	398.67	5,528	4,784	1,401.56	1,339.56
15G	1BR+/2B		1338	1,405,000	0.56016%	0.86133%	1,867.81	914.52	791.43	10,974	9,497	2,782.33	2,659.24
16A	1BR/1B		930	1,025,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
16B	1BR/1.5B		1066	1,055,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
16C	ST/1B		582	675,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
16D	1BR/1B		826	920,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
16E	1BR+/2B		1115	1,300,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
16F	1BR/1B		934	975,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
16G	ST/1B		570	675,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
16H	1BR+/2B		1337	1,420,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
17A	1BR/1B		930	1,035,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
17B	1BR/1.5B		1066	1,065,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
17C	ST/1B		582	680,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
17D	1BR/1B		826	930,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
17E	1BR+/2B		1115	1,315,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
17F	1BR/1B		934	985,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
17G	ST/1B		570	680,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
17H	1BR+/2B		1337	1,435,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
18A	1BR/1B		930	1,045,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
18B	1BR/1.5B		1066	1,075,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
18C	ST/1B		582	685,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
18D	1BR/1B		826	940,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
18E	1BR+/2B		1115	1,330,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
18F	1BR/1B		934	995,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30

Setai Condominium Residences at 40 Broad Street 11/29/06 11:07 AM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08) (1)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
18G	ST/1B		570	685,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
18H	1BR+/2B		1337	1,450,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
19A	1BR/1B		930	1,055,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
19B	1BR/1.5B		1066	1,085,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
19C	ST/1B		582	690,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
19D	1BR/1B		826	950,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
19E	1BR+/2B		1115	1,345,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
19F	1BR/1B		934	1,005,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
19G	ST/1B		570	690,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
19H	1BR+/2B		1337	1,465,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
20A	1BR/1B		930	1,065,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
20B	1BR/1.5B		1066	1,095,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
20C	ST/1B		582	695,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
20D	1BR/1B		826	960,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
20E	1BR+/2B		1115	1,360,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
20F	1BR/1B		934	1,015,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
20G	ST/1B		570	695,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
20H	1BR+/2B		1337	1,480,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
21A	1BR/1B		930	1,075,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
21B	1BR/1.5B		1066	1,105,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
21C	ST/1B		582	700,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
21D	1BR/1B		826	970,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
21E	1BR+/2B		1115	1,375,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
21F	1BR/1B		934	1,025,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
21G	ST/1B		570	700,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
21H	1BR+/2B		1337	1,495,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
22A	1BR/1B		930	1,085,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
22B	1BR/1.5B		1066	1,115,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
22C	ST/1B		582	705,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
22D	1BR/1B		826	980,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
22E	1BR+/2B		1115	1,390,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
22F	1BR/1B		934	1,035,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
22G	ST/1B		570	705,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
22H	1BR+/2B		1337	1,510,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
23A	1BR/1B		930	1,095,000	0.38935%	0.59868%	1,298.25	635.65	550.09	7,628	6,601	1,933.91	1,848.35
23B	1BR/1.5B		1066	1,125,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
23C	ST/1B		582	710,000	0.24366%	0.37466%	812.46	397.79	344.25	4,774	4,131	1,210.25	1,156.71
23D	1BR/1B		826	990,000	0.34581%	0.53173%	1,153.07	564.57	488.58	6,775	5,863	1,717.64	1,641.65
23E	1BR+/2B		1115	1,405,000	0.46680%	0.71778%	1,556.51	762.10	659.52	9,145	7,914	2,318.61	2,216.03
23F	1BR/1B		934	1,045,000	0.39103%	0.60126%	1,303.84	638.39	552.46	7,661	6,630	1,942.22	1,856.30
23G	ST/1B		570	710,000	0.23863%	0.36693%	795.70	389.59	337.15	4,675	4,046	1,185.30	1,132.86
23H	1BR+/2B		1337	1,525,000	0.55974%	0.86069%	1,866.42	913.83	790.84	10,966	9,490	2,780.25	2,657.25
24A	1BR/1B		950	1,090,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
24B	1BR+/1.5B		1066	1,135,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
24C	ST/1B		590	715,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
24D	1BR+/2B		1004	1,295,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
24E	1BR/1B T	135	772	1,105,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33
24F	ST/1B T	135	521	760,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
24G	1BR/1B T	144	824	1,140,000	0.34497%	0.53045%	1,150.28	563.20	487.40	6,758	5,849	1,713.48	1,637.68
24H	1BR+/2B T	200	1149	1,485,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
25A	1BR/1B		950	1,100,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
25B	1BR/1.5B		1066	1,145,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
25C	ST/1B		590	725,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
25D	1BR+/2B		1004	1,310,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
25E	1BR/1B		772	1,015,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33

Setai Condominium Residences at 40 Broad Street 11/29/06 11:07 AM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08) (1)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
25F	ST/1B		521	695,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
25G	1BR/1B		824	1,050,000	0.34497%	0.53045%	1,150.28	563.20	487.40	6,758	5,849	1,713.48	1,637.68
25H	1BR+/2B		1149	1,350,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
26A	1BR/1B		950	1,110,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
26B	1BR/1.5B		1066	1,155,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
26C	ST/1B		590	735,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
26D	1BR+/2B		1004	1,325,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
26E	1BR/1B		772	1,025,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33
26F	ST/1B		521	705,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
26G	1BR/1B		784	1,060,000	0.32823%	0.50470%	1,094.44	535.86	463.74	6,430	5,565	1,630.30	1,558.18
26H	1BR+/2B		1149	1,365,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
27A	1BR/1B		950	1,120,000	0.39772%	0.61156%	1,326.17	649.32	561.92	7,792	6,743	1,975.50	1,888.10
27B	1BR/1.5B		1066	1,165,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
27C	ST/1B		590	745,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
27D	1BR+/2B		1004	1,340,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
27E	1BR/1B		772	1,035,000	0.32320%	0.49697%	1,077.69	527.66	456.64	6,332	5,480	1,605.35	1,534.33
27F	ST/1B		521	715,000	0.21812%	0.33539%	727.30	356.10	308.17	4,273	3,698	1,083.40	1,035.47
27G	1BR/1B		784	1,070,000	0.32823%	0.50470%	1,094.44	535.86	463.74	6,430	5,565	1,630.30	1,558.18
27H	1BR+/2B		1149	1,380,000	0.48104%	0.73966%	1,603.97	785.34	679.63	9,424	8,156	2,389.31	2,283.61
28A	1BR/1B		963	1,145,000	0.40317%	0.61993%	1,344.32	658.21	569.61	7,898	6,835	2,002.53	1,913.94
28B	1BR+/1.5B		1066	1,175,000	0.44629%	0.68623%	1,488.11	728.61	630.54	8,743	7,566	2,216.71	2,118.65
28C	ST/1B		590	755,000	0.24701%	0.37981%	823.62	403.26	348.98	4,839	4,188	1,226.89	1,172.61
28D	1BR+/2B		1004	1,355,000	0.42033%	0.64632%	1,401.56	686.23	593.87	8,235	7,126	2,087.79	1,995.42
28E	1BR/1B		771	1,045,000	0.32278%	0.49633%	1,076.30	526.98	456.05	6,324	5,473	1,603.27	1,532.34
28F	ST/1B		518	725,000	0.21686%	0.33346%	723.11	354.05	306.40	4,249	3,677	1,077.16	1,029.51
28G	1BR/1B		787	1,080,000	0.32948%	0.50663%	1,098.63	537.91	465.51	6,455	5,586	1,636.54	1,564.14
28H	1BR+/2B		1124	1,395,000	0.47057%	0.72357%	1,569.07	768.25	664.85	9,219	7,978	2,337.32	2,233.92
PH1A	1BR/1B		964	1,200,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH1B	1BR/1.5B		1071	1,230,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH1C	2BR+/2B		1587	2,135,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH1D	1BR/1B		769	1,095,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH1E	ST/1B		516	765,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH1F	1BR/1B		785	1,065,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH1G	1BR+/2B		1125	1,465,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH2A	1BR/1B		964	1,210,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH2B	1BR/1.5B		1071	1,240,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH2C	2BR+/2B		1587	2,150,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH2D	1BR/1B		769	1,105,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH2E	ST/1B		516	775,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH2F	1BR/1B		785	1,075,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH2G	1BR+/2B		1125	1,480,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH3A	1BR/1B		964	1,220,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH3B	1BR/1.5B		1071	1,250,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH3C	2BR+/2B		1587	2,165,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH3D	1BR/1B		769	1,115,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH3E	ST/1B		516	785,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH3F	1BR/1B		785	1,085,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH3G	1BR+/2B		1125	1,495,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36
PH4A	1BR/1B		964	1,230,000	0.40359%	0.62057%	1,345.72	996.48	1,065.02	11,958	12,780	2,342.20	2,410.74
PH4B	1BR/1.5B		1071	1,260,000	0.44838%	0.68945%	1,495.09	1,107.09	1,183.23	13,285	14,199	2,602.17	2,678.32
PH4C	2BR+/2B		1587	2,180,000	0.66441%	1.02162%	2,215.41	1,640.47	1,753.30	19,686	21,040	3,855.88	3,968.71
PH4D	1BR/1B		769	1,125,000	0.32195%	0.49504%	1,073.50	794.91	849.58	9,539	10,195	1,868.41	1,923.09
PH4E	ST/1B		516	795,000	0.21603%	0.33217%	720.32	533.39	570.07	6,401	6,841	1,253.71	1,290.39
PH4F	1BR/1B		785	1,095,000	0.32865%	0.50534%	1,095.84	811.45	867.26	9,737	10,407	1,907.29	1,963.10
PH4G	1BR+/2B		1125	1,510,000	0.47099%	0.72421%	1,570.47	1,162.91	1,242.89	13,955	14,915	2,733.37	2,813.36

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Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (7/1/07-6/30/08) (1)

Unit	Number Bedrooms/ Bathrooms/ Terrace (T)/ Balcony (B)	Residential Limited Common area (square foot)	Unit Area Square Footage (2)	Offering Price (3)	Percentage of common Interest (4)	Percentage of Residential Common Interest (5)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes without 421-g or 421-a (6)	Estimated Monthly Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Annual Real Estate Taxes without 421-g or 421-a Benefits (6)	Estimated Annual Real Estate Taxes with 421-g and 421-a Benefits (6)	Estimated Total Monthly Charges without 421-g or 421-a (7)	Estimated Total Monthly Charges with 421-g and 421-a (7)
PH5A	3BR/3B T		3424	5,500,000	1.43348%	2.20418%	4,779.81	3,539.37	3,782.81	42,472	45,394	8,319.18	8,562.62
PH5B	2BR+/3B T		2361	3,525,000	0.98845%	1.51988%	3,295.89	2,440.55	2,608.41	29,287	31,301	5,736.44	5,904.30
Residential Unit Subtotals		**614**	**155,341**	**186,365,000**	**65.03460%**	**100.00000%**	**216,851.76**	**117,750.00**	**108,850.00**	**1,413,000.00**	**1,306,200.00**	**334,601.76**	**325,701.76**
Commercial Unit #1 (Garage)			6,500		2.72127%		2,228.91	2,291.67	2,291.67	27,500	27,500	4,520.58	4,520.58
Commercial Unit #2 (Retail)			4,505		1.88605%		1,544.81	5,772.61	5,772.61	69,271	69,271	7,317.42	7,317.42
Commercial Unit #3 (Retail)			1,218		0.50992%		417.66	1,560.72	1,560.72	18,729	18,729	1,978.38	1,978.38
Commercial Unit #4 (2nd and 3rd Floor)			23,489		9.83384%		8,054.60	15,616.67	15,616.67	187,400	187,400	23,671.27	23,671.27
Commercial Unit #5 (Floors 4-7)			47,806		20.01432%		16,445.05	31,566.67	31,566.67	378,800	378,800	48,011.71	48,011.71
Commercial Unit Subtotal			**83,518**				**28,691.03**	**56,808.33**	**56,808.33**	**681,700.00**	**681,700.00**	**85,499.36**	**85,499.36**
	TOTALS	**614**	**238,859**	**186,365,000**	**100.00000%**	**100.000000%**	**245,542.79**	**174,558.33**	**165,658.33**	**2,094,700**	**1,987,900**	**420,101.12**	**411,201.12**

*Unit 10A is for Resident Manager

NOTES TO SCHEDULE A

(1) Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from July 1, 2007 through June 30, 2008. The actual First Year of Condominium Operation may begin earlier or later than that year.

(2) Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Residential Unit in question. However, any material change (for example, a reduction in square footage in excess of 5%) will be set forth in an amendment to the Plan, and no material adverse change will be made in the size (i.e., decrease), configuration, or layout of a Unit for which an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Deposits, together with all interest earned thereon. An increase in the size of a room or Unit will not on its own give rise to a right of rescission. (See also Section G, "Changes in Prices" in Part I of the Plan for further details concerning and certain limitations applicable to Sponsor's rights with respect to changes in the construction of the Units and the Common Elements.)

The square foot area of the Units set forth in the floor plans and in Exhibit B to the Declaration (and Schedule A to the Plan) are approximate and were obtained by using the method customarily used in New York City to measure Condominium apartments. The approximate square foot area of each Unit is measured horizontally from the exterior side of the glass or the exterior walls, at the Building line and/or Property line to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements. Columns and mechanical pipes (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Units. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit.* The

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* Each Residential and Commercial Unit includes, and each Residential and Commercial Unit Owner shall be responsible for, all fixtures, equipment and other items of personalty, including, without limitation, all plumbing and heating fixtures and equipment, and other appliances as may be contained in, affixed, attached or appurtenant to such Residential Unit, other than as may constitute part of the Common Elements. Plumbing and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes attached to fixtures,
(footnote continued)

method of measurement is applicable to all Units. The room count for each Residential 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.

(3) Sponsor has reserved the right to change the purchase prices (as well as other terms of sale) of Units not subject to executed Agreements, so Purchasers may pay different prices for similar Units. (See "Changes in Prices" in Section G below for further discussion.) In addition to paying the purchase prices of their Units, purchasers will be responsible for paying certain closing adjustments and closing costs, including, without limitation, the obligation to contribute to the Working Capital Fund. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Residential Units. (See "Unit Closing Costs and Adjustments" in Section M below for further discussion.)

(4) At or after the First Closing, Sponsor will lease a Residential Unit (the "Resident Manager's Unit") to the Board, which will lease such Unit on behalf of the Residential Unit Owners and will use the same as the Resident Manager's residence. This lease (the "Lease") will be for a term of ten (10) years. The monthly rent shall be $3,500 fixed for the first five years of the lease term and subject to 3% increase for each year thereafter. The Board may terminate the Lease at any time, upon sixty (60) days written notice to Sponsor after Sponsor is no longer in control of the Board. In the event that the Board elects to terminate the Lease, the Board may be required by law, in its discretion, to purchase or rent a dwelling for the Resident Manager in or near the Building, to arrange for any necessary facilities to be available, and/or to make such other arrangements as may be required to comply with Legal Requirements or otherwise. The Resident Manager's Unit is currently anticipated to be Unit 10A. Sponsor, however, reserves the right, in its sole discretion, to change the leased Residential Unit, to be other than Unit 10A, provided that such change shall only be made pursuant to an amendment to the Plan (see Section E in Part I of the Plan for further discussion) and shall not result in the Board incurring charges which exceed the costs of leasing Unit 10A as set forth in Schedule B.

(5) The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall

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appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Residential Unit Owner may install within a wall or ceiling, or under the floor, but shall not include water or other pipes, conduits, wiring or ductwork within the walls, ceiling or floors. Except as otherwise expressly set forth herein, each Residential Unit shall also include all lighting and electrical fixtures and appliances within the Residential Unit and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Residential Unit to the extent located within such Residential Unit and serving or benefiting only that Residential Unit.

dimensions of the particular Unit. The aggregate Common Interests of all of the Units equals 100%.

(6) These projections have been based upon the projections contained in "Projected Budget for First Year of Condominium Operation -- Schedule B" (set forth in Section E below), which were made based on the assumption that the First Year of Condominium Operation will be from July 1, 2007 through June 30, 2008. The actual first year of operation may be earlier or later. In the event 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. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned.

As discussed in "Available Services and Facilities" in Section B above and in Special Risk #6, the full range of services and facilities described in this Plan may not be provided until move-ins are finished and construction work within and on the Building is completed. To the extent that any service or facility provided during such interim period benefits particular Residential Units, to the exclusion of other Residential Units, and the cost of the same is readily identifiable, the Common Charges necessary to provide such service or facility will be borne exclusively by the owners of the benefited Residential Units, in proportion to their respective Common Interests.

The amount of the Common Charges necessary to defray the cost of the interim services and facilities described in the preceding paragraph, as well as the manner of allocating such Common Charges among any Residential Unit Owners who are exclusively benefited by any of the same, will be determined by the Board, which will be controlled by Sponsor during such period. However, such allocation will be made in compliance with Section 339-m of the New York State Real Property Law, and in no event will Purchasers be assessed Common Charges during such interim period that are more than the Common Charges listed in Schedule A as the same may theretofore have been amended.

In addition to the payment of Common Charges, each Unit Owner will incur additional expenses for, among other things:

(a) mortgage payments under any loan or loans obtained to finance the purchase of the Unit;

(b) the cost of electricity supplied to the Unit, which will be separately metered and payable as and when billed;

(c) the cost of interior repairs, compliance with Legal Requirements and maintenance, painting and decoration in, to or of, the Unit, including, without

limitation, the equipment and appliances contained in the same, and any appurtenant Limited Common Elements;

(d) the cost of any insurance that the Unit Owner may be required to (or desire to) carry covering the furniture, belongings, equipment and other personal property in the Unit, as well as the cost of any insurance the Unit Owner may be required to carry covering liability to others for personal injury or property damage as a result of occurrences in the Unit;

(e) telephone, internet access and cable television charges; and

(f) real estate taxes (see note 7 below).

(7) The projection of the real estate taxes that will be payable for each of the Units during the projected First Year of Condominium Operation is based upon an opinion of counsel letter prepared by Podell, Schwartz, Schechter & Banfield, Sponsor's real estate tax consultant and takes into account the following assumptions and projections:

(a) a projected assessed value for floors 10 through 28 for the 2007/2008 tax year of approximately $8,089,000, which is based upon assessment during the renovation of the Building;

(b) a projected assessed value for floors PH1 through PH6 for the 2007/2008 tax year of approximately $3,308,000, which is based upon assessment during renovation of the Building;

(c) an assumed tax rate of 12.396% for floors 10 through PH6 for the 2007/2008 tax year;

(d) a projected assessed value for the Commercial Units for the 2007/2008 tax year of approximately $6,028,000; and

(e) an assumed tax rate of 11.306% for all Commercial Units in the Building for the 2007/2008 tax year.

After the City of New York assesses each Unit as a separate tax lot and bills each Unit Owner, the Unit Owner will be responsible for paying the real estate taxes and assessments imposed against his or her Unit, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to any lien arising from the non-payment of, taxes and assessments imposed on other Units.

The above projected figures do not reflect the possibility of obtaining tax benefits. For the 2008/2009 tax year, which will be the first year based on an assessment following substantial completion of renovation and construction of the Building, counsel projects the following before any potential exemption benefits:

(a) a projected assessed value for floors 10 through 28 of approximately $11,428,000;

(b) a projected assessed value for floors PH1 through PH6 of approximately $6,250,000;

(c) as assumed tax rate of 12.396% for floors 10 through PH6;

(d) a projected assessed value for the Commercial Units of approximately $7,052,000; and

(e) an assumed tax rate of 11.306% for all Commercial Units in the Building.

No warranty, guaranty or assurance is given that:

(i) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rates that will be in effect during such First Year of Condominium Operation and the rate of construction progress on January 5, 2007, which will determine the real estate tax rates between July 1, 2007 and June 30, 2008) will approximate the actual amount;

(ii) the New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the values used by Podell, Schwartz, Schechter & Banfield for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or

(iii) any of the projections or estimates made above and in Schedule A are accurate.

Until the Units are separately assessed, each Unit Owner will pay to the Board his or her Unit's pro rata share of the Property's real estate taxes for the period in question. This proration will be made by first allocating the Property's taxes among the basic classifications of Units on the basis of approximately 65.03460% of such taxes to the Residential Units and 34.96540% of such taxes to the Commercial Units, based on the square footage of the respective classes of Units (exclusive of Common Elements). The share of the Property's taxes so allocated will then be pro-rated to each individual Residential Unit or Commercial Unit on the basis of the ratio that the initial offering price for each Unit set forth in Schedule A above bears to the total initial offering prices of all Residential Units or Commercial Units (as the case may be) set forth in Schedule A. The Board will pay such real estate taxes to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has paid such real estate taxes. If any Unit Owner fails to pay his or her pro rata share as set forth above, the Board will be entitled to assess late charges and/or place a lien on such Unit as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I, Section R for further discussion.) At such time as a Unit is separately assessed and

separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

There is no assurance that the proration of taxes described in the paragraph above will equal the actual amount or allocation of real estate taxes which will be assessed against the Units, and the actual amounts may vary considerably from the method set forth above. Sponsor will amend the Plan to disclose the actual amount of real estate taxes assessed against the Units promptly after the same are assessed.

In the opinion of Sponsor's Counsel, the tax laws existing on the date of this Plan in general permit, subject to certain limitations, a Residential Unit Owner who itemizes his or her deductions to deduct from income for the purposes of Federal, New York State and New York City income taxes, any real estate taxes actually paid by such Residential Unit Owner with respect to his or her Residential Unit. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Residential Unit Owner (which might result from changes in the assessed valuation of the Residential Unit, in the tax rate and/or in the manner of assessing real property). Prospective Purchasers should refer to "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium" in Section T below, as well as to the "Opinion of Counsel" in Section U below, for further discussion.

Sponsor intends to apply for partial exemption and a partial abatement from real estate taxes with respect to the Building pursuant to Section 421-g of the New York State Real Property Tax Law on behalf of the Residential Units on floors 10 through 28. Real property taxes equal to the amount of the tax that would otherwise be due in the first year following completion of construction might be exempted and/or abated for a limited period of time. Pursuant to these tax exemption and abatement benefits, the real estate tax estimate for the First Year of Condominium Operations will be based upon the assessed valuation of the Property for New York City tax year 2007/2008 less exemption and abatement benefits granted, if any.

Sponsor intends to apply for partial exemption and a partial abatement from real estate taxes with respect to the Building pursuant to Section 421-a of the New York State Real Property Tax Law on behalf of the Residential Units on floors PH1 through PH6. Real property taxes equal to the amount of tax that would otherwise be due in the first year following completion of construction might be exempted and/or abated for a limited period of time. Pursuant to these tax exemption and abatement benefits, the real estate tax estimate for the First Year of Condominium Operations will be based upon the assessed valuation of the Property for New York City tax year 2007/2008 less exemption and abatement benefits granted, if any.

Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinion of Podell, Schwartz, Screchter & Banfield, LLP set forth in Part I of the Plan for further discussion regarding real estate taxes and benefits under the Section 421-g and 421-a programs.

If Sponsor does not obtain the partial exemption from real estate taxes for the renovated Residential space pursuant to Section 421-g, the real estate taxes without such exemption will apply.

Similarly, if sponsor does not obtain the partial exemption from real estate taxes for the new Residential space pursuant to Section 421-a, the real estate taxes without such exemption will apply.

E. SCHEDULE B

40 Broad Street Condominium
Projected Budget for First Year of Condominium Operation (See Note 1)
July 1, 2007 to June 30, 2008

ESTIMATED INCOME

Common Charges -- Residential and Storage (Note 2)	$2,602,221
Common Charges -- Commercial Units (Note 2)	344,292
Total Estimated Common Charges	$2,946,514

ESTIMATED EXPENSES (Note 3)

Payroll and Related Expenses (Note 4)	$ 950,177
Electricity (Note 5)	$ 291,500
Gas (Cooking) (Note 6)	$ 17,600
Steam (Heat and Hot Water) (Note 7)	$ 373,450
Water Charges and Sewer Rent (Note 8)	$ 95,150
Water Charges for Cooling Tower Make-Up (Note 9)	$ 4,950
Repairs, Supplies and Maintenance (Note 10)	$ 75,000
Service Contracts (Note 11)	$ 195,000
Insurance (Note 12)	$ 198,037
Management Fee (Note 13)	$ 85,000
Setai Fee (Note 14)	$ 500,000
Legal and Audit Fees (Note 15)	$ 17,500
Resident Managers Unit (Note 16)	$ 45,900
Reserve for Contingencies (Note 17)	$ 75,000
Other Expenses (Note 18)	$ 22,250
Total (Note 19)	$2,946,514

The Notes to Schedule B below are an integral part of this Schedule and should be read in conjunction herewith.

Attachment B

ALLOCATION OF COMMON EXPENSES BETWEEN COMMERCIAL AND RESIDENTIAL

(see also detailed notes which follow)

Common Charges	Total Expenses	Residential Expenses	Commercial Unit #1 Parking Unit Expenses	Commercial Unit #2 Retail Unit Expenses	Commercial Unit #3 Retail Unit Expenses	Commercial Unit #4 2nd and 3rd Floor Unit Expenses	Commercial Unit #4 4th to 7th Floor Unit Expenses	
Payroll & Related Expenses	950,177	814,827	10,534	7,301	1,974	38,066	77,475	A
Electricity	291,500	291,500						B
Gas (Cooking)	17,600	17,600						B
Steam (Heat & HW)	373,450	373,450						B
Water Charges & Sewer Rent	95,150	95,150						B
Water Charges for Cooling Tower Make-Up	4,950	4,950						
Repairs, Supplies & Maintenance	75,000	48,776	2,041	1,415	382	7,375	15,011	
Service Contracts	195,000	151,370	3,347	2,320	627	12,096	25,241	C
Insurance	198,037	128,793	5,389	3,735	1,010	19,475	39,636	
Management Fee	85,000	55,279	2,313	1,603	433	8,359	17,012	
Setai Fee	500,000	500,000						
Legal & Audit Fees	17,500	11,381	476	330	89	1,721	3,503	
Resident Manager's Unit	45,900	45,900						
Reserve for Contingencies	75,000	48,770	2,041	1,415	382	7,375	15,011	
Other Expenses	22,250	14,470	605	420	113	2,188	4,453	
TOTAL EXPENSES	**2,946,514**	**2,602,221**	**26,747**	**18,538**	**5,012**	**96,655**	**197,341**	

All expenses have been allocated by each unit's percentage of common interest unless otherwise stated.

A. Represents the allocation of wages and related expenses for the Resident Manager, one Handyman and one Porter for the Commercial Units based on their percentage of common interest.

B. The Commercial Units will be separately metered or sub-metered for the use of this utility.

C. Represents the allocation of expenses for elevator, exterminating, fire protection water tank and supplies for Commercial Units #1, #2, #3, #4 and #5.

NOTES TO SCHEDULE B

(1) Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from July 1, 2007 to June 30, 2008. The actual First Year of Condominium Operation may be earlier or later than that year. In the event 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. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposit returned.

(2) These amounts represent the total Common Charges to be levied against and collected from the Residential Units and the Commercial Units during the anticipated First Year of Condominium Operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. Generally, Common Expenses have been allocated between the Residential Units and the Commercial Units based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Residential Unit Owners on the basis of percentage of Common Interest allocated to each Residential Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Commercial Unit Owners will be obligated to pay their allocated share of the expenses, and only such allocated share of the expenses, that are incurred by the Board in furnishing those services, as well as operating, maintaining and repairing those Common Elements that are utilized by such Unit Owners. Those Common Expenses that have been allocated on the basis of Common Interest have been allocated on such a basis as follow: Those expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of Common Interest of such Units, for a total of 65.03460%. Common Expenses to be borne by the Owner of Commercial Unit #1 have been allocated on the basis of such Unit Owner's Common Interest for a total of 2.72127%. Common Expenses to be borne by the Unit Owner of Commercial Unit #2 have been allocated on the basis of such Unit Owner's Common Interest for a total of 1.88605%. Common Expenses to be borne by the Unit Owner of Commercial #3 have been allocated on the basis of such Unit Owner's Common Interest for a total of 0.50992%. Common Expenses to be borne by the Unit Owner of Commercial #4 have been allocated on the basis of such Unit Owner's Common Interest for a total of 9.83384%. Common Expenses to be borne by the Unit Owner of Commercial #5 have been allocated on the basis of such Unit Owner's Common Interest for a total of 20.01432%.

After operation of the Condominium has commenced, it is anticipated that the methods of allocation of the Common Expenses to be paid by the Commercial 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. If any category of Unit Owners contends that any method of allocation determined by the Board is inequitable, the dispute may be submitted to arbitration as provided in the By-Laws.

(3) Common Expenses include the costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and the provision of services to Unit Owners in general, such as service contracts applicable to the Building as a whole, employees who will provide services to the entire Condominium, the managing agent for the Condominium, and insurance coverage for the Common Elements.

(4) Payroll and Related Expenses: $950,177

This estimate includes wages, workers compensation, and disability insurance, welfare and pension costs, payroll taxes and the cost of sick days, holidays and vacation pay for a projected shared Building staff of 1 Resident Manager, 1 Handyman, 4 porters and 7 Doorman/Concierge. The projected level of staffing for the Building complies with all applicable housing and labor laws. All staff will be full-time employees and will be members of Local 32B-32J Service Employees International Union AFL-CIO. The building is classified as Class "A" for the purpose of defining the wage scale. The contract with Local 32B-32J Service Employees International Union AFL-CIO is as of April 21, 2006 to April 20, 2010. In addition to his salary, the Resident Manager resides rent free in the Resident Manager's Unit located in Unit 10A and is provided by the Board with free gas, electric and telephone. The wages described below are computed in accordance with the contract of Local 32 BJ and its affiliates. The projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, Cooper Square Realty, Inc., in managing comparable buildings. These expenses are allocated among all Unit Owners based on their percentage of common interest with the exception of the Commercial Units

The wage and salary estimates included in Common Expenses are detailed as follows:

POSITION	WEEKLY WAGE
Resident Manager (1)	$1,923.08 per 40 hour week for a total yearly wage of $100,000 per person.
Handyman (1)	$838.88 per 40 hour week for a total yearly wage of $43,621.76 per person.
Porters (4)	$761.44 per 40 hour week for a total yearly wage of $39,594.88 per person.
Doorman/Concierge (8)	$761.44 per 40 hour week for a total yearly wage of $39,594.88 per person.
Estimated Year End Bonus	$20,000

Multiply by 1.1535 to bring to 60 pay weeks to allow for sick days, holidays and vacation pay.

Total Wages	$668,279
FICA	$51,123
NYS Unemployment	$6,962
Workers' compensation:	$25,000
Federal Unemployment	$728
NYS Disability	$468
Health	$148,821
Pension	$35,679
Legal and Training Fund	$13,116

The Commercial Units will utilize the service of only the Resident Manager, (1) handyman and (1) porter and will contribute to labor expenses for such employees based on their common interest of each of such employee's labor expense.

(5) Steam (Heat and Hot Water): $373,177

Based on an estimate made as of September 15, 2006 by George Langer Associates Consulting Engineers it is anticipated that heat and hot water will be provided to the Residential Units by Con Edison Steam that will be used to generate Heat and Hot Water will be $373,177. This estimate is based on a projected usage at 12,125 Mlbs. of steam at an anticipated cost of $28.00 per Mlbs x 110%. The Commercial Units will be separately sub-metered.

(6) Electricity: $291,500

This estimate is based on an estimate made as of September 15, 2006 by George Langer Associates Consulting Engineers that light and power for the Common Areas as well as the cooling tower will be approximately 1,470,000 KW/HR/YR at an annual cost of $.18 per KW/HR x 110%. Each of the Commercial Units will be separately metered.

Electricity (including current necessary to operate HVAC Systems) within each Residential Unit will be separately metered by Con Edison and paid for by each unit owner.

(7) Gas (Cooking): $17,600

Based on an estimate made as of September 15, 2006 by George Langer Associates Consulting Engineers it is anticipated that gas provided to the Residential Units for the purpose of cooking will be $17,600. This estimate is based on a projected usage at 10,670 therms of gas at an anticipated cost of $1.50 per therm x 110%. Cooking Gas for each of the Commercial Units will be separately metered.

(8) Water Charges and Sewer Rent: $95,150

This amount is based on an estimate made as of September 15, 2006 by George Langer Associates Consulting Engineers that water charges for the Residential Units and all Common Elements with the exception of the cooling tower will be approximately 100 cu. ft. and usage of 60 gallons per day per estimated occupancy at a charge of $4.28 per 100 cu. ft. x 110%. The Occupancy is based on an average of 3.0 persons per apartment for 167 apartments.

The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Building. Because the operation of the Building is being newly converted to residential use, there is no applicable operating history upon which to base such a projection.

Water charges and sewer rents for each Commercial Unit will be separately sub-metered.

(9) Water Charges for Cooling Tower Make-up: $4,950

This amount is based on an estimate made as of September 15, 2006 by George Langer Associates Consulting Engineers that water charges for the Cooling Tower Make-up. The estimated cost for water is based on $1.65 per 100 cu. ft. x 110% and make-up for 1,000 total hours of cooling tower operation.

The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Building. Because the operation of the Building is being newly converted to residential use, there is no applicable operating history upon which to base such a projection.

(10) Repairs, Supplies and Maintenance: $75,000

This estimate includes painting, maintenance and repair costs of Common Elements only. Unit Owners will be responsible for the cost of repairs and painting in the interiors of their Units. No provision has been made to cover the cost of any major capital expenditure. This estimate also includes the estimated annual cost of services and supplies (including service contracts) provided to and for the benefit of the Units.

This estimate is based on experience of Sponsor's budget expert, Cooper Square Realty, Inc., in operating comparable buildings.

(11) Service Contracts and Supplies: $195,000

This estimate includes the cost of various services used in or for the Common Elements, including elevator service, wood marble and metal maintenance, extermination, water treatment and uniform laundry.

Elevator Maintenance	$27,000
Exterminating	$5,000
Wood, Marble & Metal Maintenance	$20,000

Fire Extinguishers	$1,500
Central Station Monitor	$1,500
Fire Protection	$5,000
Landscaping	$10,000
Water Tank	$2,500
Water Treatment	$5,000
Supplies (Cleaning materials, lubricants, bulbs fixtures, general and hardware supplies, etc.)	$75,000
HVAC Contract	$20,000
Telephone/Beeper/Mobile	$7,500
Uniforms	$15,000
Total	$195,000

No maintenance or service contracts have been entered into as of the filing date of the Plan. The budgeted amounts are based on estimates received from contractors where indicated and otherwise the experience of Sponsor's budget expert, Cooper Square Realty, Inc., in operating comparable buildings. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium Operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection. The Commercial Units will share in the expense of the Exterminating, Fire Extinguishers, Central Station Monitoring, Fire Protection, Water Tank, Water Treatment and Supplies based on their percentage of common interest. The Setai will share in the cost of the expenses for the elevator based on their percentage of common interest.

(12) Insurance: $198,037

The insurance premiums are based on the letter, dated September 5, 2006, from T.M. Ross Insurance Brokerage LLC, setting forth the following coverages:

	Coverages	Limits of Liability
A.	Property	
	Real Property/Building	$85,875,000
	"All Risk" Coverage (exclusive of Terrorism and Mold Coverage)	
	Replacement Cost	
	Co-Insurance	WAIVED
	Agreed Amount	
	Flood (Annual Aggregate)	$5,000,000
	Earthquake (Annual Aggregate)	$5,000,000
B.	Liability	
	(General Aggregate)	$2,000,000
	Each Occurrence	$1,000,000
	Water Damage Legal Liability	$1,000,000

	Non-Owned and Hired Automobile Liability	$1,000,000
	Employee Benefits	$1,000,000
	Fire Damage legal	$50,000
C.	Workers Compensation/ Employers Liability	
D.	Directors & Officers Liability	$1,000,000
E.	Employee Dishonesty (Fidelity) Managing Agents Rider Deductible	$500,000
F.	Umbrella Liability Each Occurrence Self Insured Retention	$100,000,000
G.	Boiler & Machinery	INCLUDED

The total premium for these various coverages is estimated at $198,037.

This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units or any Common Elements exclusive to such Units, nor does it include coverage of the furniture or personal property of Unit Owners. The property coverage excludes terrorism and mold coverage.

This quotation is an indication of insurance premiums at current rates. 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. Purchasers should be aware of the possibility of rate increases.

Sponsor will procure, on behalf of the Board, on or before the date of the First Closing, the general liability insurance required to be carried by the Condominium.

(13) Management Fee: $85,000

Based on the management agreement to be entered into with Cooper Square Realty, Inc. at or before the First Closing, it is expected that the Managing Agent will receive an annual fee of $85,000 for the first year. Reference should be made to "Management Agreement and Contracts" in Part I, Section Y, for further discussion of the terms of the Management Agreement.

(14) Setai Fee: $500,000

The Residential Unit Owners will be responsible pay for the use of the Setai Club located on the 2nd Floor. The Setai is $500,000 per year and have been allocated based on each

Residential Units Owners percentage of common interest. The Commercial Unit Owner will not contribute towards this expense and will not have use of the Setai Club.

(15) Legal and Audit Fees: $17,500

Based upon the *estimate* of $10,000, as set forth in a letter dated January 3, 2006 from Newman, Newman and Kaufman. $10,000 has been budgeted to provide for estimated auditing and accounting fees in connection with the preparation of the audited financial statements for the Condominium's First Year of Condominium Operation and its Federal, state and city income tax returns. The balance of the budgeted amount ($7,500) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Board meetings, preparation of Board minutes and negotiation of minor agreements.

(16) Resident Manager's Unit: $45,900

Residential Unit 10A shall be designated as the Resident Manager's Unit and will be occupied by the Resident Manager of the Building. At or after the First Closing, Sponsor will lease Residential Unit 10A (the Resident Manager's Unit), to the Condominium to use at a monthly rent of $3,500 per month.

Sponsor reserves the right, in its sole discretion, to choose a different Residential Unit other than Unit 10A to lease to the Condominium as the Resident Manager's Unit; provided, however that such lease shall only be made pursuant to an amendment to the Plan and shall not result in the Board incurring charges, which exceed the costs of leasing Unit 10A.

The budget line item for the Resident Manager's Unit consists of lease payments and utility charges (including electricity and basic telephone services), attributable to the Resident Manager's Unit. All Residential Unit Owners will pay all expenses attributable to the Resident Manager's Unit as Common Expenses based on their respective percentage of Common Interests. These monthly expenses are detailed as follows:

Lease Payments	$3,500 per month
Utility Charges	$225 per month
Telephone Charges	$100 per month

The amounts projected for telephone charges are based on estimates by Cooper Square Reality.

If, as of the First Closing, the temporary certificate of occupancy for the Building does not permit Unit 10A (or such other Unit as Sponsor shall select to be the Resident Manager's Unit, as provided above) to be occupied, or if for any other reason (in Sponsor's sole judgment) Unit 10A is not then suitable or available for occupancy by the Resident Manager, Sponsor and the Board will enter into an interim lease for another Unit (to be selected by Sponsor) for use as the Resident Manager's residence until Unit 10A (or such

other Unit as Sponsor shall select to be the Resident Manager's Unit, as provided above) is ready for occupancy. Such interim lease will require the Board to pay to Sponsor, as the rental thereunder, the Common Charges, real estate taxes and other costs and expenses incurred by Sponsor in connection with owning and maintaining such Unit during the term of the interim lease. In such event, the Plan will be amended to disclose such interim lease and the terms thereof.

Special Note: At the First Closing, Sponsor and the Board will adjust various items of income and expenses in accordance with the period that each owns or operates the Property. If the net credit is in favor of Sponsor, the same will be paid by the Board up to and including $25,000. The balance owing shall be paid in twelve equal consecutive monthly installments commencing on the first day of the second month subsequent to the First Closing, with interest at 5% per year, pursuant to a negotiable promissory note to be executed by the Board and delivered to Sponsor at the First Closing. Although these installments are not expressly included in this budget, payment of the note (but not the interest thereon) represents, in effect, payment of expenses reflected in this budget that have been prepaid by Sponsor. Interest payments will reduce the amount available in this "Other Expenses" or "Reserve for Contingency" category of the projected budget.

(17) Other Expenses: $22,250

Other Expense covers the ongoing need for telephone, office supplies, office equipment, postage, special communications and mailings to the Unit Owners, annual meetings, and purchase of uniforms.

Telephone and Communications	$9,000
Printing and Postage	6,500
Sprinkler Fees	750
General	6,000

(18) Reserve for Contingencies: $75,000

This amount, to be used at the discretion of the Board, is intended to benefit the Unit Owners by providing a fund for unanticipated expenses not included in the budget and for possible increases in one or more items of operating expense above the amounts projected. The budget may be modified from time to time prior to the commencement of, or during, Condominium operation to add or increase one or more items of operating expense. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess the Unit Owners.

This estimate does not include an estimate for income taxes payable by the Condominium. (See the Sections of the Plan entitled, "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium" and "Opinion of Counsel" (Sections V and W below) for further discussion.)

(19) In the opinion of Cooper Square Realty, Inc., Sponsor's Budget Expert, the projected income for the Condominium is adequate to meet the estimated expenses for the anticipated First Year of Condominium Operation, assuming that such first year is the

fiscal year commencing July 1, 2007. The budget, however, is not intended, and should not be taken, as a guarantee that the annual Common Charges for the first or any subsequent year of operation of the Condominium will be as set forth in the budget. In fact, it is likely that the actual income and expenses for the First Year of Condominium operations will vary from the amounts shown in the budget.



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Marc Kotler
Direct Dial: 212-634-5420
Email: marc.kotler@coopersquare.com

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-(i)

September 20, 2006

40 Broad, LLC
587 Fifth Avenue
New York, New York 10017

Re: THE SETAI CONDOMINIUM RESIDENCES
AT 40 BROAD STREET

Gentlemen:

This is with respect to the Plan of Condominium Organization of the premises at the above address and the allocation of the Percentage of Common Interest to the respective Units therein.

It is our opinion that the allocation of Percentages of Common Interest allocated to the respective Units as set forth in Schedule A on the Plan of Condominium Organization are in compliance with the regulations issued pursuant to Real Property Law Article 9-B, Section 339-i.

The Sponsor has used the method (iv) contained in Section 339-i (1) of the New York Condominium Act, that is based upon floor space, subject to relative value to the other space in the Condominium, the uniqueness of the Unit, the availability of the common elements for exclusive or shared use, and the overall dimensions of the particular Unit.

Cooper Square Realty, Inc. is a licensed Real Estate Broker in the State of New York and has been actively engaged in the management and sales of residential property for over 20 years. We have also been active in the sale of cooperative and condominium apartments for the past fifteen years.

This firm will not act as the selling agent of the property. We have no beneficial interest in the Sponsor and no interest in the profits of this conversion plan other than the fee for this service.

We hereby authorize the use of our name and this letter in connection with the proposed plan of condominium operation.

Very truly yours,

Marc Kotler
Vice President

F. COMMERCIAL UNITS

Subject to certain restrictions set forth in the Declaration and By-Laws, the Commercial Units may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial, office, hotel or transient use, storage, garage and utility purposes. Except as set forth herein, the Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Units (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. It is currently anticipated that Commercial Unit 1 will initially be used for garage purposes and ancillary uses (on portions of the cellar); Commercial Unit 2 will be used for retail or restaurant purposes (on a portion of the first floor); Commercial Unit 3 will be used for retail or restaurant purposes (on a portion of the first floor); Commercial Unit 4 will be used for retail or restaurant purposes, spa purposes (on the second floor), and Commercial Unit 5 will be used for office purposes (on the fourth through seventh floors). The Commercial Units may be used for transient use, although no representation or warranty is made with respect to such initial or any subsequent uses of any Commercial Unit or with respect to who the owner or tenant(s) of any Commercial Unit may be at any time. In the event that any Commercial Unit is used for fractional or club ownership use a separate offering plan will be filed. In such event, these commercial unit occupants will regularly arrive and leave, with luggage via the commercial lobby.

No part of any Commercial Unit shall be used for any of the following uses: (a) the repair, servicing or maintenance of any vehicles, machinery or equipment or the operation of an "automobile repair shop"; (b) funeral parlor; (c) massage parlor or sex club or for the sale or display of pornographic or obscene material; or (d) for any obscene or pornographic purpose or any other commercial sex establishment. Each Commercial Unit Owner shall take all commercially reasonable measures to ensure that no excessive noise emanates from its Commercial Unit.

Notwithstanding the foregoing, no unlawful use may be made of the Property or any portion thereof and all valid Legal Requirements relating to any portion of the Property shall be complied with at the sole cost and expense of the applicable Unit Owner or the Board, whichever party has the obligation to maintain or repair such part of the Property, as set forth in the Declaration or the By-Laws. A Commercial Unit Owner shall not at any time use or occupy, or suffer or permit anyone to use or occupy its Commercial Unit, or do or permit anything to be done in its Commercial Unit in violation of the certificate of occupancy for its Commercial Unit or for the Building. If any governmental license or permit, other than a certificate of occupancy, shall at any time be required for the proper and lawful conduct of business in a Commercial Unit then being conducted or to be conducted in that Commercial Unit or any portion thereof, then the subject Commercial Unit Owner, at it's own expense, shall duly procure and thereafter maintain such license or permit.

There is no as-of-right parking permitted in the Building. Therefore, Sponsor will seek a Special Permit from the City Planning Commission for a public parking facility of not more than 150 spaces pursuant to Sections 13-552 and 74-52 of the Zoning Resolution; or, in the alternative, the Sponsor will seek a Special Permit from the City Planning Commission for an accessory parking facility pursuant to Section 13-561 of the Zoning Resolution.

The Commercial Unit Owners will be obligated to pay their shares of the expenses that are incurred by the Board in furnishing services, and operating, maintaining and repairing Common Elements, only to the extent the same are utilized by or benefit such Commercial Unit Owner. As more fully set forth in the "Notes to Schedule B" above, each of the Commercial Unit Owners will therefore pay only allocated percentages of only certain expenses, which percentages may be less (or more) than their Common Interest. The allocated percentages represent a projection of the proportionate usage of the services and facilities in question by the Commercial Unit Owners, as estimated by Cooper Square Realty, an independent expert retained by Sponsor. It is the opinion of Cooper Square Realty, as more fully set forth in Exhibit 11 in Part II, that the aforementioned Common Charges payable by the Commercial Unit Owners are sufficient to cover the expenses fairly attributable to each such Commercial Unit.

After operation of the Condominium has commenced, it is anticipated that the Common Charges payable by each Commercial Unit Owner may be periodically adjusted, but not more frequently than once each year, to reflect the proportion properly attributable to the then amount of usage by each of the Commercial Unit Owners. If the Board and each Commercial Unit Owner cannot agree on such adjustment, the dispute will be submitted to arbitration in accordance with Article 11 of the By-Laws.

To the extent permitted by law, and subject to certain restrictions set forth in the Declaration and By-Laws, the Commercial Unit Owners will have the right with regard to its Unit, without the vote or consent of the Board, or any other party, to mortgage or otherwise hypothecate its Unit, to decorate or make alterations, additions or improvements to its Unit (except that alterations, additions or improvements which would either in the course of performance or upon completion have a material adverse effect on the structural, mechanical, electrical or plumbing elements of the Building or would increase insurance premiums or maintenance costs for any other Unit or the Common Elements shall be subject to the approval, not to be unreasonably withheld, of the Board), to change the size of its Unit by subdividing it into any desired number of condominium units (or by combining any units resulting from such subdivision), and to reapportion among the newly created condominium units resulting from any subdivision (or combination) their appurtenant Common Interests, provided that any such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act. As more particularly provided in Article 10 of the Declaration, the Commercial Unit Owners will each have the right with regard to its Unit to amend the Declaration in order to reflect such changes, or to cause the Board to do so. If a Commercial Unit is subdivided or combined, the owner of each Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Board or other Unit Owners), set forth above in this paragraph, described as pertaining to the Unit Owner of the original Unit or Units in question.

The Commercial Unit Owners (and their respective successors and assigns) shall have an easement: (i) to erect, use, lease, license, maintain, repair, replace, and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of the roof of the Building (which is otherwise a Common Element) that is not occupied by any Building installations; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any

mechanical equipment room that is not occupied by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case without the consent of, or charge by, the Condominium Board or any other Unit Owners; provided, however, that the Commercial Unit Owners shall give prior notice to the Board of the type and location of any such equipment before installation. In the event the Commercial Unit Owners subdivides or combines Units, each newly created Unit shall have, at the option of the Commercial Unit Owners, an appurtenant easement to use a portion of the platform and other facilities on the roof of the Building, upon which such additional Unit Owners (or its tenant or licensee) may place, erect, use, lease, license, maintain, repair, replace and operate antennae, satellite dishes and other telecommunications equipment. If such additional Units are created, the percentage interest in the Common Elements allocated to the Unit together with all such additional Units, and the percentage interests of all other Units, will remain unchanged. Any obligations and rights of the landlord under any such lease or any other similar lease hereafter entered into by the Commercial Unit Owners shall be the obligations and rights, respectively, solely of the Commercial Unit Owners and not of the Condominium or any other Unit Owner. Other Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights.

All normal maintenance and repairs of the roof of the Building will be made by the Board and chargeable to all Unit Owners as a Common Expense; except that if the holders of the aforementioned easement utilizes the roof of the Building pursuant to such easement, then such party/ies will be responsible for the normal maintenance and repair of the portion of the roof(s) it utilizes. Capital repairs and replacements to such roofs, other than normal maintenance and repairs, will be charged to all Unit Owners as a Common Expense except to the extent such costs are attributable to the use of areas utilized pursuant to the above-described easements or are necessitated by the exercise of such easements, in which case the holders of such easement shall be responsible for such costs.

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G. CHANGES IN PRICES

The purchase prices set forth in Schedule A and other terms of payment (but not other terms of sale) with respect to a particular Unit are negotiable and may be changed by Sponsor at any time and from time to time, both before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Unit Owner or mortgagee. However, no such change with respect to any Unit for which an Agreement is then in effect may be made without the consent of the Purchaser thereunder, and no Agreement will be modified to waive any of the Purchaser's rights or abrogating any of Sponsor's obligations, under this Plan or Article 23-A of the New York General Business Law.

The Plan will be amended to disclose: (a) any increase (but not any decrease) in the Purchase Price of an offered Unit; (b) any changes in either purchase prices (whether increases or decreases) or other financial terms of sale that are across-the-board changes affecting one or more lines or types of Units; or (c) any changes in either Purchase Prices or other financial terms of sale that are to be advertised. Other than the changes described in (a) through (c) above, Purchase Prices and other terms of sale of one or more Units which are not subject to executed Agreements may be changed without either notice or amendment of the Plan.

If Sponsor changes the purchase price of a Unit, the Purchaser affected thereby may pay more or less than other Purchasers under the Plan for similar Units, but this will not affect any prior or subsequent sale of any other Units, nor will the Common Interest of any Unit be altered as a result of a price change for such Unit.

In order to meet the possible varying demand for number and type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Unit Owner or mortgagee, to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Residential Unit; (ii) change the layout of, or number of rooms in, any Unsold Residential Unit; (iii) change the size and/or number of Unsold Residential Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Residential Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Residential Units, and/or incorporating within any Unsold Residential Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (iv) if appropriate, reapportion among the Unsold Residential Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; and (v) change the permitted use of some or all of the Unsold Residential Units. Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. In the event of any such change after the Declaration is

recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan. As more particularly provided in the Declaration, Sponsor or its designee will have the right to (or to cause the Board to) so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Residential Units. In addition, none of the foregoing changes, including any material adverse change in the size, layout or Common Interest of a Residential Unit or in the amount or quality of Residential Limited Common Elements directly affecting or servicing a Unit, will be made with respect to any Unit for which an Agreement has been mutually executed and delivered and the Purchaser thereunder is not in default, unless: (a) such change has been dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists and set forth in an amendment to the Plan, and the Purchaser is offered the right in such amendment, for at least 15 days, to rescind his or her Agreement and receive a refund of the Deposit, together with all interest earned thereon, and the Purchaser elects not to exercise such right of rescission; or (b) such change is not a material adverse change in the size, dimension or floor space or layout of such Unit, in which event a Purchaser will not be excused from purchasing such Unit by reason of such minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

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H. INTERIM LEASES

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the date of closing title to a Unit, to rent or lease, rather than sell, such Unit to Purchasers and others. As a result, a Purchaser of a Unit may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. However, once an Agreement for a Unit is fully executed and for so long as the Agreement is in effect, such Unit may only be leased to its Purchaser. No Purchaser shall have the right to occupy any Unit prior to the closing unless Sponsor agrees to permit such occupancy under an interim lease or other written rental agreement.

Interim leases will not be subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law, the New York City Rent Stabilization Code, any rent regulatory scheme or code, rule or regulation promulgated under any of the foregoing, or any other rental protection laws.

If Sponsor agrees to lease a vacant Unit, the lease will be for a rent and upon such other terms and conditions as may be agreed upon by Sponsor and the tenant; provided, however, that in the case of an interim lease to a Purchaser, such lease will provide that an uncured default by the Purchaser under the Agreement (that is, a default not cured within 30 days after the sending of written notice thereof) will constitute a default under the lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such lease. The Agreement will contain a similar provision entitling Sponsor to terminate the Agreement and retain the Deposit (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's lease within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Unit.

No portion of the rental paid under any lease will be credited towards the Purchase Price of a Unit unless the lease and the Agreement therefor expressly so provide.

In the event of an amendment to the Plan disclosing a material adverse change pursuant to which a Purchaser is allowed to rescind an Agreement, if a Purchaser who is a tenant under an interim lease duly elects to rescind, the interim lease made with such Purchaser shall be cancelled and possession of the Unit must be surrendered within 60 days thereafter free of all occupants and in broom clean condition. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within said 60-day period. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under the interim lease. If such failure to timely vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Unit (such as Common Charges, real estate taxes and the allocable portion, based on such Unit's Common Interest, of debt service on any loan covering the Unsold Residential Units) as calculated by Sponsor. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all

costs and expenses incurred by Sponsor to obtain possession of the Unit, including the cost of litigation and reasonable attorneys' fees and expenses.

In the event the Plan is abandoned, a Purchaser who has entered into an interim lease will have no right to remain in occupancy as a tenant after the abandonment of the Plan.

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I. PROCEDURE TO PURCHASE

1. Execution of Documents

Any party desiring to purchase a Unit will be required to execute four original counterparts of an Agreement, in the form set forth as Exhibit 1 in Part II of the Plan, for each such Unit desired. The Agreement sets forth in detail the terms of sale with respect to the Units offered hereunder and should be read carefully by each prospective Purchaser. In the event of any conflict or ambiguity between the Plan and the Agreement, the provisions of the Plan shall control.

No signed Agreement will be accepted from a prospective Purchaser for three business days following such Purchaser's receipt of a copy of the Plan, including all amendments thereto. For the convenience of some Purchasers, however, Sponsor will have the right, at its sole option, to accept an Agreement prior to the expiration of such period of three business days; and in such event, and only in such instance, such Purchaser will have the right to rescind such Agreement by written notice sent to Sponsor by certified or registered mail, return receipt requested, or by personal delivery within seven (7) days of such Purchaser's submission of the Agreement, whereupon Sponsor will refund, without interest (notwithstanding any provision of this Plan regarding interest to the contrary), the Deposit received by Sponsor from such Purchaser in connection with such Agreement.

A Purchaser shall deliver to Selling Agent, together with the four signed original counterparts of the completed Agreement, the following: three completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other applicable Form W-8, as appropriate, in the form required by law (the forms currently required by law are reproduced as Exhibits 1A and 1B in Part II of this Plan); and an option payment as set forth below.

Agreements will not be binding on Sponsor until approved and executed by Sponsor. Sponsor will have thirty (30) days after delivery by the Purchaser of an executed Agreement, together with the amounts and other items described above 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. Each Purchaser shall in all events be deemed to represent and warrant that the Deposit and all sums deposited by Purchaser pursuant to the Agreement are such Purchaser's own funds and that no other party has any right thereto. If an Agreement is not accepted by Sponsor within such 30-day period, the Agreement shall be deemed to have been rejected and cancelled and all sums deposited by such prospective Purchaser in connection therewith shall be promptly returned, together with any accrued interest. Sponsor reserves the right to reject any prospective Purchaser without cause or explanation, provided that such rejection is not based on race, creed, color, age, sex, sexual orientation, disability, marital status, national origin, ancestry, or any other ground proscribed by law, and to refuse to execute an Agreement for any Unit, or an Agreement or Agreements, as the case may be, for more than one Unit to any one person or entity.

2. Deposits/Escrow

As set forth above a prospective Purchaser shall deliver to Selling Agent, together with the four signed original counterparts of the completed Agreement, an option payment (any of the following amounts, the "Initial Deposit") in an amount equal to: (a) 10% of the Purchase Price; or (b) 50% of the Purchase Price if the Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity). A prospective Purchaser who, in accordance with the previous sentence, was only required to make an Initial Deposit equal to 10% of the Purchase Price will be required to make, in addition to the Initial Deposit, an additional payment equal to 5% of the Purchase Price of such Purchaser's Unit (the "Additional Deposit") due and payable no later than the earlier to occur of six (6) months after the date of the Agreement or 15 days after Sponsor serves Purchaser with written notice of an amendment to the Plan declaring the Plan effective, but in no event later than the Closing. No Additional Deposit shall be required if the Purchaser is a foreign government or other person or entity referenced in (b) of the first sentence of this paragraph and who or which has made a 50% Initial Deposit as described above. The term "Deposit", as used in this Plan, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit. All such payments shall be made by unendorsed check drawn only on a member bank of the New York Clearing House Association made payable to "Kramer Levin Naftalis & Frankel LLP, as escrow agent." All such checks shall be subject to collection and if any such check is returned for insufficient funds or for any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be cancelled and of no further force or effect, and to retain any Deposit and other amounts previously deposited.

With respect to any check or other instrument that is dishonored or fails on collection, the Escrow Agent is authorized to deliver to Sponsor the dishonored or uncollected instrument and Sponsor will have the choice of remedies set forth in the Plan and in the Agreement with respect to an Event of Default (which includes suing on such dishonored or uncollected instrument or (at Sponsor's option) canceling this Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default).

All Deposits or advances received by Sponsor will be held in escrow by Kramer Levin Naftalis & Frankel LLP (the "Escrow Agent") and placed in the Escrow Account (as hereinafter defined) in conformity with the procedure set forth herein. 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, and the provisions of Lien Law Section 71-a(3), as applicable.

All Deposits or advances made by Purchasers prior to closing of each individual transaction will be placed, within five business days after the Agreement is signed by all necessary parties, or within five business days after receipt, in the case of deposits, Deposits or advances made subsequent to the execution of the Agreement, in a segregated special escrow account (the "Escrow Account") of Kramer Levin Naftalis & Frankel LLP, the Escrow Agent, whose address is 1177 Avenue of the Americas, New York, New York 10036, and whose telephone number is 212-715-9100. The signatories on the Escrow Account authorized to withdraw funds are any one of Jay A. Neveloff, Jonathan H. Canter, Paul S. Pearlman, Neil R.

Tucker, James Godman, Robert Heller and Howard J. Rothman. The name of the Escrow Account will be "The Setai Condominium Residences at 40 Broad Street Escrow Account" or similar name, located at Commerce Bank, NA., 317 Madison Avenue, New York, New York 10017 (the "Bank"), or such other substitute bank and/or account type and/or title as may be designated in an amendment to the Plan. The Bank is covered by federal bank deposit insurance up to a maximum of $100,000 per individual depositor. Deposits made by a Purchaser in excess of $100,000 in the aggregate in connection with the purchase of a Unit or Units will not be federally insured.

The Escrow Account will be interest-bearing and, unless the Purchaser defaults, interest will be credited to the Purchaser at closing. The interest rate to be earned will be the prevailing rate paid by the Bank for such accounts from time to time (although no representation or guarantee is made as to the actual rate of interest that will be earned on such funds). Interest, if any, will begin to accrue within five (5) business days after the Agreement is fully executed by Sponsor and Purchaser and delivered to Purchaser and payment in respect of the Deposit is tendered to Escrow Agent, provided that the Purchaser has delivered the required number of completed and signed Forms W-9 (Request for Taxpayer Identification Number) in the form reproduced as Exhibit 1A in Part II of the Plan or Forms W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) in the form reproduced as Exhibit 1B in Part II of the Plan, or other applicable Form W-8, as appropriate, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If a Purchaser does not deliver the Form W-9 or applicable Form W-8, as applicable, the Deposit will be deposited in a non-interest-bearing escrow account at the aforesaid bank until the Form W-9 or applicable Form W-8 has been delivered, and neither Sponsor, Selling Agent, the Escrow Agent nor the Bank shall be liable for interest for the period prior to the delivery of such form.

Sponsor is required by law to submit a Form 1099-INT to the Internal Revenue Service reporting interest earned on the Deposit, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of its Agreement or the Plan.

Within 10 business days after delivery by Sponsor of the Initial Deposit to Escrow Agent, Escrow Agent will notify the Purchaser that such funds have been deposited into the Escrow Account and will provide the account number and the initial interest rate. If the Purchaser does not receive notice of such deposit within 15 business days after delivery by Sponsor of the Initial Deposit to Escrow Agent, the Purchaser may cancel the purchase and rescind the Agreement so long as the right to rescind is exercised within 90 days after tender of the Initial Deposit. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited and requisite notice was timely mailed to the Purchaser in conformity with the Attorney General's regulations. Except as set forth above in this paragraph, the Escrow Agent will hold funds in escrow until otherwise directed in (i) a writing signed by both Sponsor and the Purchaser, (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 escrowed funds, the Escrow Agent will not pay the funds to Sponsor until the Escrow Agent has given the

Purchaser written notice of not fewer than 10 business days. Thereafter, the funds may be paid to Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's regulations and has so notified the Escrow Agent in accordance with such provisions.

Sponsor will not object to the release of the escrowed funds to: (i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan; or (ii) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

Purchasers and the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the escrowed funds and any interest thereon. Sponsor must avail itself of this procedure if there is a dispute that 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 all other parties a copy of the application. Pending the determination of the Attorney General to grant or deny the application, Sponsor, the Purchaser and the Escrow Agent shall abide by any interim directive issued by the Attorney General. If the application seeking the release of funds is denied, the Escrow Agent shall continue to hold the deposit and any interest earned thereon until: (i) both Sponsor and the Purchaser direct payment to a specified party in accordance with a written direction signed by both Sponsor and the Purchaser; (ii) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent; or (iii) 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 Sponsor and Purchaser. Under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan, and consummation of the Plan does not relieve Sponsor of its obligations pursuant to General Business Law 352-h. A copy of the escrow agreement which incorporates the terms of the Attorney General's regulations is set forth in Part II of the Plan.

Sponsor has agreed to indemnify and hold the Escrow Agent harmless from any and all losses, damages, claims, liabilities, judgments and other costs and expenses which may be claimed against or incurred by the Escrow Agent by reason of its acceptance of, and/or its performance under, the escrow agreement (other than those ultimately determined to have arisen out of the willful misconduct or gross negligence of the Escrow Agent), including, without limitation, attorneys' fees either paid to retained attorneys or amounts representing the fair value of legal services rendered to itself.

The Escrow Agent will maintain all records concerning the Escrow for seven years after the release of funds.

The 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 the Escrow Agent is in possession of the Deposit and continues to act as the Escrow Agent.

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 and trust funds shall prevail over any conflicting or inconsistent provision in this 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.

3. Date of the First Closing

In the event the actual or anticipated commencement date of the projected 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 therefor, and if: (i) 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 1, 2007, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, 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 15 days after the presentation date of the amendment containing such revised budget or 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 sentence 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.

4. Default

In the event that a Purchaser fails to close title on the date set for closing or otherwise fails to perform any other obligation under his or her Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor, at its option, may cancel such Agreement and retain as liquidated damages the Deposit made by the Purchaser, together with all interest earned thereon, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. In such case, all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate and Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

Purchasers are advised that notwithstanding the foregoing, including, without limitation, Sponsor not having the right of specific performance, nothing herein shall be deemed to grant Purchaser any right of rescission and/or right to the return of all or any portion of a Deposit except as expressly set forth in the Plan. In the event Sponsor elects not to cancel the Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.03% per day (or such lower daily rate which is the legal limit, if 0.03% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay.

Time is of the essence with respect to the Purchaser's obligation to close title on the date set for closing and to pay, perform or observe all of his or her other obligations under the Agreement, and to cure a default within 30 days after Sponsor gives notice to the Purchaser of such default. Therefore, a Purchaser who defaults under his or her Agreement and who does not cure such default within such 30-day period may not be permitted any additional time to cure such default.

As provided in the form of Agreement, which is set forth in Part II of the Plan as Exhibit 1, the following occurrences, without limitation of any other term or provision thereof or of the Plan, shall constitute an event of default under a Purchaser's Agreement: (a) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; (b) the appointment of a non-bankruptcy trustee or receiver over Purchaser or Purchaser's property, or the filing of an involuntary petition in bankruptcy against Purchaser; or (c) the filing of a judgment or tax lien against Purchaser which Purchaser does not pay or bond within 30 days after the filing thereof.

5. Risk of Loss

The risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. 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, if any, of the Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see Section Q entitled "Rights and Obligations of the Unit Owners and the Board of Managers" in Part I of the Plan),

the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser the entire Deposit, together with interest earned thereon, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit, together with interest earned thereon.

6. Financing

Although a Purchaser may obtain financing from any lending institution or any other source, the Purchaser's obligation pursuant to an Agreement to purchase a Unit shall not be contingent on the Purchaser obtaining a commitment for financing or actually obtaining financing for such purchase. In other words, a Purchaser shall remain obligated under an Agreement to purchase his or her Unit whether or not he or she is able to obtain financing. Neither Sponsor nor 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 limited, and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling or adjournment of closing beyond the expiration of a loan commitment.

7. Transfer (and Mansion) Taxes

As described more fully in Section M below, Purchasers shall be responsible for the payment at closing of all New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax, notwithstanding that these taxes are by law the primary obligation of the seller. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Purchasers of Residential Units shall also be obligated to pay the so-called "Mansion Tax," currently 1% of the consideration paid when the consideration is $1,000,000 or more, which tax by law is the primary obligation of the Purchaser.

8. Foreign Missions; Required Notification and Waiver of Diplomatic or Sovereign Immunity

Any Purchaser that is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. 4305, must notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor will not be bound under any Agreement with a foreign mission unless and until the earlier to occur of: (i) receipt of a notification of approval from the Department of State; or (ii) 60 days after receipt of such Purchaser's notice by the Department of State.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall expressly and voluntarily waive such immunity and consent to any suit action or proceeding arising out of or relating to the Agreement being brought in any state or Federal court in the State of New York. Any such purchaser shall designate C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive

process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Agreement.

J. ASSIGNMENT OF AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other applicable Form W-8, as appropriate, in the form required by law. Upon each assignment or other change permitted by Sponsor (in its sole discretion), the assignments and Forms W-9 or applicable Forms W-8, as applicable, must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $850 made payable to "Kramer Levin Naftalis & Frankel LLP" (for services rendered in connection with the assignment), not less than 20 days prior to the date scheduled for the Purchaser's closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing any Unit(s) for sale or resale with any broker or otherwise advertising, promoting or publicizing the availability of such Unit(s) for sale shall remain in effect.

In connection with the foregoing, if Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, a limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall be considered an assignment and shall be subject to the provisions, prohibitions and terms of the Plan concerning assignment, except that a sale of less than 50% of the stock, or in the case of a partnership, limited liability company or other entity, less than 50% of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of 51% or more of the interests in such entity or possession of the power to direct the management and policies of such entity and the distribution of its profits.

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K. EFFECTIVE DATE

The offering by Sponsor of the Residential Units under the Plan is contingent upon the Plan being declared effective and upon compliance with the relevant conditions and time periods set forth in the Plan.

The Plan may be declared effective, at Sponsor's option, when bona fide Agreements (including those executed by investors) have been executed and are in effect with respect to not less than 25 Residential Units, representing 15% of the Residential Units offered hereby. The Plan must, however, be declared effective when bona fide Agreements have been executed and are in effect with respect to at least 134 Residential Units representing 80% or more of such Units.

The Plan will not be declared effective based on an Agreement: (i) signed by a Purchaser who has been granted a right of rescission that has not yet expired or been waived; (ii) signed by a Purchaser not afforded the three (3) business day period to review the Plan (prior to executing an Agreement) provided for in the Section entitled "Procedure to Purchase" above in Part I of the Plan; or (iii) entered into with a Purchaser who is Sponsor, Selling Agent or the Managing Agent, or who is a principal of any of the foregoing or who is related to any of the foregoing or any principal thereof by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be included if Sponsor submits proof satisfactory to the Department of Law establishing that such Purchaser is bona fide. Except as otherwise limited by this Section of the Plan, all 167 Residential Units shall be counted toward declaring the Plan effective.

The Plan will be declared effective either by: (i) an amendment to the Plan; or (ii) mailing or delivering personally to each Offeree a written notice to such effect, in which event Sponsor will submit an amendment to the Plan to the Department of Law confirming that the Plan was declared effective on a specified date within five days after such mailing or delivery. The First Closing will not occur until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

The Plan may be withdrawn or abandoned by Sponsor, at its option, for any reason whatsoever at any time prior to its being declared effective. Once the Plan has been declared effective, it may not be abandoned or withdrawn, except that prior to the First Closing, the Plan may be abandoned at the option of Sponsor in the event of: (i) the existence of one or more defects in title (including violations of record or work orders of an insurance carrier) affecting any one or more Units and/or the Common Elements which cannot be cured, removed or complied with except through litigation or the expenditure of more than one-half of one percent of the total initial offering hereunder in the aggregate (as estimated by Sponsor); (ii) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty which cannot be cured or repaired for an amount which is less than one-half of one percent of the total initial offering amount; or (iii) a taking of all or a material portion of the Property by condemnation or eminent domain. In calculating the costs referred to in clauses (i) and (ii) above, any defects in title (including violations or work orders) that existed on the date the Units were initially offered for sale under the Plan, and were either known to Sponsor or were a matter of public record, and attorneys' fees, shall be excluded.

In the event of a withdrawal or abandonment of the Plan, Sponsor will promptly submit an amendment to the Department of Law to such effect, together with such forms as may be required by law. Purchasers will be notified in writing of a withdrawal or abandonment of the Plan. All Deposits, together with any interest earned thereon, will be returned to Purchasers within 20 days following such withdrawal or abandonment, except that after the Plan has been declared effective, Sponsor may retain the Deposit, together with interest earned thereon, of any Purchaser who is then in default under his or her Agreement beyond the applicable grace period or whose Agreement has been cancelled due to such Purchaser's default, provided, however, that any requisite notice has been given to the Purchaser and any dispute with respect to the disposition of the Deposit has been determined in favor of Sponsor pursuant to the dispute resolution procedures provided by the regulations promulgated by the Department of Law. Upon the return or retention of the Deposit, together with interest earned thereon, the Agreement pursuant to which such Deposit was given will be null and void and Sponsor will have no further obligation or liability to the Purchaser under the Plan or such Agreement.

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L. TERMS OF SALE

1. Prerequisites to Closing of Title

The terms "closing" or "closing of title" as used in this Plan refer to Sponsor's conveyance of title to a Unit to a Purchaser by the delivery of a deed, upon payment by the Purchaser to Sponsor of the balance of the purchase price for such Unit. The closing of title to each Unit shall take place only after or concurrently with the satisfaction of the following prerequisites:

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

(b) a temporary or permanent certificate of occupancy for the Unit is in effect (unless Sponsor and such Purchaser otherwise agree in writing or Sponsor is unable to obtain such temporary or permanent certificate of occupancy for the Unit as a result of special work being done in the Unit at the request of the Purchaser);

(c) the Declaration, By-Laws, Floor Plans and such other documents as may be required by law have been filed or recorded, as the case may be, or have been submitted to Sponsor's title insurance company for filing or recording;

(d) at least 30 days' prior written notice of the initial time and place of the closing of title has been given to the Purchaser (unless a Purchaser chooses to waive such 30-day notice);

(e) the Purchaser or Purchaser's designee has been given an opportunity to examine the Unit within the week prior to the closing; and

(f) the Unit and its appurtenant interest in the Common Elements have been released from the lien of all mortgages encumbering the Property.

2. Closing of Title; Payment of Balance of Purchase Price

At the closing of title to each Unit, Sponsor shall execute and deliver to the Purchaser a bargain and sale deed with covenant against grantor's acts, substantially in the form of the Unit Deed set forth as Exhibit 3 in Part II of the Plan, conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances. The Purchaser shall also sign the Unit Deed.

Simultaneously with the delivery of the Unit Deed, the Purchaser shall pay the balance of the purchase price and the closing apportionments and costs described in "Unit Closing Costs and Adjustments" in Part I, Section M below. Payments shall be by official bank or cashier's check or unendorsed certified check drawn on or issued by a bank or trust company which is a member of the New York Clearing House Association, payable to the direct order of Sponsor or to such other party or parties as Sponsor notifies the Purchaser prior to the closing. Purchasers are advised that uncertified attorney escrow checks and other non-conforming checks may not be accepted by Sponsor. Any delay in closing occasioned by the presentation of such

checks shall be deemed to have been caused by Purchaser and may, at the option of Sponsor, constitute a default under the Agreement and/or give rise to additional costs or expenses to be borne by Purchaser.

3. Tax Returns and Power of Attorney

Each Purchaser will also be required to execute and deliver at the closing: (i) a New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, in the forms required to be filed by law; and (ii) a Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 2 to the persons who shall from time to time constitute the Board, designating such Board as the Purchaser's attorney-in-fact, for the purpose of acquiring or leasing in the name of the Board or its designee on behalf of all Unit Owners any Residential Unit and to otherwise deal with the Condominium and the Common Elements, all in accordance with the provisions of the Declaration and the By-Laws; and after any such acquisition or leasing of any Unit, to manage, convey, sell, lease, sublease, mortgage or otherwise deal with any such Unit so acquired or leased, as the case may be, all in accordance with the provisions of the Declaration and By-Laws.

4. Tax-Deferred Exchanges

The form of Agreement (Exhibit 1 in Part II of the Plan) provides that in the event a Unit is being acquired by a Purchaser as part of a tax-deferred exchange under §1031 of the Internal Revenue Code, Sponsor shall reasonably assist and cooperate in such tax-deferred exchange, provided, however, that: (i) any action taken in connection with such tax-deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction (and, among other things, Purchaser acknowledges that a fee may be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of the Purchaser (or any other party to such tax-deferred exchange) or cooperation on the part of Sponsor in connection with or related to the tax-deferred exchange will frustrate the purpose of the Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under the Agreement or increase any of Sponsor's obligations or duties under the Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of such tax-deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of any of the amounts due under the Agreement other than as set forth therein or in the Plan. Purchaser shall indemnify, defend and hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees and expenses) or liabilities incurred by Sponsor in connection with or resulting from the tax-deferred exchange, and such indemnity shall survive the closing of title to the Unit. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of a Unit.

M. UNIT CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Agreement, in addition to the Purchaser's own legal fees, the Purchaser of any Unit will pay the following closing costs at the time of the closing of title of such Purchaser's Unit:

1. Title Insurance: If the Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium therefor, which premium will vary depending upon the amount of insurance purchased. A reduced rate for fee and mortgagee title insurance may be available if the Purchaser obtains a mortgage loan, and fee and mortgagee title insurance are ordered simultaneously. A Purchaser may obtain title insurance from any title insurance company selected by Purchaser. Sponsor makes no representation or warranty regarding the terms of any such insurance.

2. Recording Charges: The fees charged by the City Register's Office for recording the Unit Deed, Unit Owner Power of Attorney and mortgage (if any), in the amount of $32.00 for each document, plus $5.00 per page (including the cover page), shall be payable by Purchaser, plus the $75.00 filing fee for the RP-5217 form shall be payable by the Purchaser. In addition, a Purchaser's title insurance company may charge various fees and service charges in connection with such recordings and filings, which shall be payable by Purchaser.

3. Transfer Taxes and Mansion Tax: The New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of an individual residential condominium unit, is 1% of the purchase price of a unit if such purchase price is $500,000 or less and 1.425% of the purchase price if such purchase price is over $500,000; and the New York State Real Estate Transfer Tax ("NYS Tax"), presently $2 for each $500 (or part thereof) of the purchase price of a Unit. For purposes of calculating the taxes payable, the amounts of such taxes which are the primary obligation of the seller but are paid by Purchaser will be included in the consideration subject to tax. Therefore, the steps to compute the taxes payable are:

(i) multiply the Purchase Price by the RPT Tax rate to compute the tentative RPT Tax;

(ii) multiply the Purchase Price by the NYS Tax rate to compute the tentative NYS Tax;

(iii)add the tentative RPT Tax and tentative NYS Tax to the Purchase Price;

(iv)multiply (iii) by the RPT Tax rate to determine the actual RPT Tax payable; and

(v) multiply (iii) by the NYS Tax rate to determine the actual NYS Tax payable.

As an example, in respect of a Residential Unit with a purchase price of $1,100,000 the transfer tax calculation is as follows: (i) $1,100,000 x 1.425% = $15,675; (ii) $1,100,000/$500 x $2 = $4,400; (iii) $1,100,000 + $20,075 = $1,120,075; (iv) $1,120,075 x 1.425% = $15,961.07; (v) $1,120,075/$500 x $2 = $4,480.

Under the current policies of the City of New York Department of Finance, where a purchaser purchases two or more Residential Units that have not been physically combined into a single residence before the transfer, the RPT Tax will be imposed at nonresidential rates, i.e., where the consideration is $500,000 or less, the rate will be 1.425%, and the tax rate where the consideration is in excess of $500,000 will be 2.625%. This may be the case even if the

Residential Units are transferred to the purchaser pursuant to separate sales contracts with separate closing dates. For these purposes, the City of New York Department of Finance has taken the position that the consideration for the transfer of a Unit is not aggregated with the consideration for the transfer of other Units under separate deeds for purposes of determining total consideration. There is no guarantee that The City of New York will not change its positions with respect to the foregoing. In such event, a Purchaser of two or more Residential Units may be obligated to pay additional transfer taxes plus applicable interest and penalties.

A Purchaser of a Residential Unit shall also 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 1% of the Purchase Price (including such taxes as are deemed part of the consideration) when the Purchase Price is $1,000,000 or more.

4. Mortgage Tax Credit. In order to reimburse Sponsor for the mortgage recording tax previously paid in connection with any existing mortgage(s), if the Purchaser: (a) obtains a mortgage loan, the Purchaser will pay to Sponsor an amount equal to the partial mortgage tax credit which may be available pursuant to Section 339-ee(2) of the New York State Condominium Act; or (b) assumes or consents to the continuation of a mortgage lien encumbering only such Purchaser's Unit and as a result is entitled to an exemption of all or a portion of the mortgage tax otherwise payable, the Purchaser will pay to Sponsor an amount equal to such exemption, but in no event will the amount payable by the Purchaser to Sponsor exceed the amount of mortgage tax which would have been payable by the Purchaser to the taxing authority if such mortgage tax credit or exemption had not been available to the Purchaser.

5. Mortgage and Related Costs: If the Purchaser obtains a mortgage loan, the Purchaser will be responsible for the payment of all mortgage recording taxes (taking into account however any payments made pursuant to subparagraph (4) above) and closing costs and expenses in connection therewith, in amounts determined by Purchaser's lender, which closing costs may include, but are not limited to, the fees of such lender's counsel, recording charges and mortgage title insurance. Currently, the mortgage recording tax in New York City applicable to individual residential condominium units is 2.05% with respect to mortgages of less than $500,000 and 2.175% with respect to mortgages in the amount of $500,000 or more (less, in each case, a $30.00 credit). Mortgage lenders may require borrowers to pay deposits for Common Charges, real estate taxes, fire and casualty insurance premiums, assessments and water charges and sewer rents may be required by the Purchaser's lender. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage financing from any sources. As previously stated in subparagraph 4 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 and such Purchaser will cooperate with Sponsor in obtaining such credit. 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.

6. Closing Fees: For each Unit, the sum of $1,450 payable to Sponsor's Counsel to reimburse Sponsor for a portion of its legal fees incurred in connection with the closing of title

of the Purchaser's Unit. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice), the closing may be held elsewhere in New York City, provided that an additional travel fee is paid to Sponsor's Counsel equal to: (a) $500 if the closing is held elsewhere in Manhattan; and (b) $750 if the closing is held in a borough other than Manhattan. In addition: (i) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay to Sponsor's Counsel an additional fee of $600 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (ii) 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 $850, payable in advance, for preparation of an assignment agreement; (iii) the sum of $350 for the preparation of ACRIS transfer documents required by the City of New York; and (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay Sponsor's Counsel an additional fee of $500 to defray the additional costs associated therewith. Purchaser may be required to pay more than one fee pursuant to the preceding sentence with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

7. Working Capital: A contribution to the Working Capital Fund in an amount equal to two (2) months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time.

8. Common Charges: In addition to the contribution to the Working Capital Fund as described in paragraph 7 above, Purchaser will pay to the Board the Common Charges for the Unit for the first full month following the month in which title closes. If Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), Purchaser shall pay to the Board an amount equal to the Common Charges for such Unit for a period of two years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Board may use, apply, or retain the whole or any part of the security so paid in advance to the extent required for the payment of any Common Charges or any other sum as to which such Unit Owner is in default; and such Unit Owner shall, within 30 days after notice from the Board, deposit with such Board the amount so applied or retained so that at the option of the Board, such Board shall have the full amount of said security on hand at all times.

The following table illustrates the projected closing costs (based on current rates) for a typical Residential Unit purchased by a Purchaser at a Purchase Price of $1,100,000, assuming such Purchaser finances 50% (i.e., $550,000) of the Purchase Price:

Fee Title Insurance (if purchased simultaneously with mortgage title insurance)	$3,411.00

Fee for recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)	$209.00
Mortgage Loan Closing Costs	
- recording mortgage (assuming 20 pages)	$230.00
- mortgage recording tax (at 2.175% of $550,000, less $30.00 credit and 0.25% to be paid by lending institution) (Purchaser may be required to pay a portion of such tax directly to Sponsor)	$10,557.50
- mortgage title insurance (if purchased simultaneously with fee insurance)	$478.00
- other bank charges ("assuming points" of 1% of mortgage amount, an appraisal fee of $400 and legal fees of $500 and assuming further that the lender does not require Purchaser to deposit funds to establish a real estate tax escrow)	$6,400.00
New York City Real Property Transfer Tax and New York State Deed Stamps	$20,441.07
New York State Mansion Tax	$11,200.75
Working Capital Payment	$3,779.74
Closing Fee (assuming the closing occurs at the offices of Sponsor's Counsel) and, other than in respect of a mortgage, Purchaser has not incurred any additional fees as set forth above)	$2,300.00
Total	$59,007.06

The projected closing costs referred to above are approximate and are not guaranteed. The mortgage loan closing costs vary widely among different lenders and also will vary depending on the loan program chosen.

At the closing, adjustments will be made between Sponsor and the 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 any interim lease or occupancy or other rental agreement affecting the Unit, if the Purchaser had been allowed to lease, occupy or rent such Unit prior to the closing. Real estate taxes will be adjusted at closing between Sponsor and each Purchaser based on the period for which real estate taxes

have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed against each Unit as of the closing, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period determined as provided in the By-Laws.

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N. RIGHTS AND OBLIGATIONS OF SPONSOR

1. Sponsor's Obligations

a. Renovation

Sponsor will perform such work and supply such materials, or will cause the same to be performed and supplied, as is necessary in order to complete the renovation of the Building with a quality of construction comparable to the currently prevailing local standards and substantially in accordance with the Plans and Specifications for the work filed with the Department of Buildings of The City of New York and other appropriate governmental authorities.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, renovation of the Building will be sufficiently completed to permit closings of title to Residential Units to begin in or about July, 2007. Prospective Purchasers should note, however, that the Residential Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected 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: (i) the 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 1, 2007, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 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 Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence 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. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

Sponsor reserves the right, without prior notice to Purchasers or amendment of this Plan (but subject to obtaining any required approval(s) of any governmental authorities having jurisdiction), to: (a) amend from time to time any of the Plans and Specifications (including changes in layouts and designs and changes affecting the materials, appliances, equipment, fixtures and other construction details); and/or (b) substitute materials, appliances,

equipment and fixtures that are of equivalent or better quality and design in place of those described in the Plans and Specifications. Any such change, if material (for example, variations in square footage in excess of 5%), shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. No such change will be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists, and in such event, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive a refund of their Deposit(s), together with all interest earned thereon. However, as long as the layout and dimensions of a Residential Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

The issuance of a temporary or permanent Certificate of Occupancy for the entire Building shall be deemed presumptive evidence that the renovation of the Building and its appurtenances and all of the Units has been substantially completed in accordance with this Plan and the Plans and Specifications. However, notwithstanding the foregoing, Sponsor or its representatives will correct, repair or replace all defects in the renovation of the Building and its appurtenances and the Units offered hereby, or in the installation or operation of any appliances, fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, but only if such defects are due to improper workmanship or material substantially at variance with the Plans and Specifications, and Sponsor is notified by the Board or the affected Unit Owner in writing of such defect: (i) as to the Common Elements, within one year from the earlier of the issuance of a temporary Certificate of Occupancy for the portion of the Building subject to such defect or the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any Unit, on or prior to the date of closing for such Unit, except that if any such defect in a Unit can be detected only by occupancy of the Unit, Sponsor will correct such defect if notified in writing by the Unit Owner within one year from the earlier of the closing of title to such Unit or the commencement date of an interim lease for such Unit. Notwithstanding the foregoing, Sponsor will not be responsible for correcting any defects in construction or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen or others are assigned to the Board or Unit Owners; or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an insubstantial nature, such as, without limitation, partial or total demise of any landscape improvements, nail pops, ridging on gypsum board or sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, grouting cracks, scratches in formica or porcelain surfaces, bath and kitchen tile grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, ceiling imperfections, slight separation in joints

of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring or any nicks, scratches, gouges, imperfections or discolorations thereof, floors out of level, variations in width, length or tone 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, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or carpet discoloring and stretching; or for paint touch-ups or for repair of chips, mars, breaks or other defects in windows, and window sashes, sliding glass doors, lighting fixtures and globes, interior painted surfaces, sinks, tubs, bowls, shower doors, kitchen cabinets, counter tops, vanity tops and bases, medicine cabinets, doors, mirrors, saddles, appliances, woodwork, doors, hardware, flooring and appliance cabinets, salting, or color variation in exterior colored mortar and deep colored brick, ponding and/or controlled drainage on the roof surface, or cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Except as expressly set forth herein, Sponsor has no obligation to make any repairs of any kind. In no event shall Sponsor be liable for special or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations under the Plan shall be to repair or, at Sponsor's option, replace any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), subject to the terms and conditions set forth in this paragraph, provided, however, that nothing contained herein is intended to relieve Sponsor of liability for actual damages resulting from property damage or personal injury arising as a result of negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in the Plan.

Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of: (i) any insubstantial variations from the Plans and Specifications or the description of the Building or a Unit set forth in the Plan; or (ii) variations from the Plans and Specifications or the description of the Building or a 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 which is material will be disclosed in a duly filed amendment to the Plan.

Each Unit offered hereby and the fixtures and personal property contained therein, are being sold and delivered "AS IS," as described in the Plan at the time of transfer of title to such Unit, unless Sponsor and the Purchaser of such Unit otherwise agree in writing. The Purchaser of a Unit shall inspect such Unit prior to the closing date and shall execute at such time an inspection statement acknowledging the Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Agreement for such Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection

statement a list of the incomplete work to be completed in the Unit by Sponsor following the closing for such Unit.

The Housing Merchant Implied Warranty Law (New York State General Business Law Article 36-B) does not apply to this offering.

b. Real Property Law §339-kk

Section 339-kk of the Real Property Law ("RPL"), a copy of which is set forth in Part II of the Plan, applies to all condominiums in the State of New York, and provides additional financial protection for a condominium association if the sponsor or other non-occupant Unit Owner of a Unit fails to make monthly payments for common charges, assessments and late fees due in connection with such owner's Units.

With respect to unsold Units of a condominium owned by a sponsor or by any other non-occupant Unit owner and occupied by a tenant, RPL §339-kk provides as follows:

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

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

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

(d) A non-occupant Unit owner who disputes a condominium's claim to rental payments is entitled to present facts supporting such owner's position at the next scheduled meeting of the condominium board, which must be held within 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.

In addition, Sponsor makes no representation as to (i) RPL §339-kk's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant Owner and secured by a Unit, or whether RPL §339-kk's enactment or compliance therewith by a tenant constitutes a default by the Unit Owner under said loan, (ii) RPL 339-kk's effect on assignments of leases and

rents given by a non-occupant Owner to 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 Board after notice from the Board (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Board's failure to give notice to a tenant, or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant Unit Owner is brought current in payment of Common Charges, assessments and late fees.

No representation is made about the tax effects of RPL §339-kk.

Prospective Purchasers should review RPL §339-kk to determine its effect on their own situation.

c. Payment of Expenses

All costs and expenses in connection with the renovation of the Building and its appurtenances (including all sums properly due to contractors, subcontractors, suppliers and all others involved in such renovation for work performed and fixtures, material and equipment supplied or installed) will be paid by Sponsor. Sponsor will cause all mechanic's liens arising out of the renovation of the Building to be bonded or discharged promptly after Sponsor receives notice of the filing of the same. Alternatively, Sponsor will cause the Title Company or the title insurance company insuring a Purchaser's title to a Unit to affirmatively insure against collection of such liens out of, or enforcement of the same against, such Unit by posting a bond or bonds or escrowing a sum of money. However, if a Purchaser's title insurance company refuses to grant such affirmative insurance and the Title Company would have been willing to grant the same at its regular rates without additional premium, neither such lack of affirmative insurance nor the existence of the liens in question will constitute a valid objection to title.

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.

d. Assignment of Warranties

Upon the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from its contractors, suppliers 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 any Residential Unit shall be assigned to the Purchaser of such Unit on the date of closing of title thereto. Certain warranties with respect to the Building will be held by the Board on behalf of all Unit Owners and/or certain Commercial Unit Owners as to whose Units such warranties pertain.

e. Certificate of Occupancy

If, as of the First Closing, only a temporary Certificate of Occupancy has been issued for the Building, Sponsor will use all reasonable diligence to cause the New York City Department of Buildings to continuously renew the temporary Certificate of Occupancy until a

permanent Certificate of Occupancy for all of the Units has been issued. Sponsor will, at its sole expense, do and perform, or cause to be done and performed, all such work (subject to events and circumstances beyond Sponsor's reasonable control, e.g., casualty, strikes, governmental restrictions, acts of god, etc.), and will supply, or cause to be supplied, all such materials, and will submit or cause to be submitted all such documentation, and shall pay all applicable fees required by the New York City Department of Buildings that shall be necessary in order to cause the temporary Certificate of Occupancy to be continuously renewed until a permanent Certificate of Occupancy for the Building has been issued, as well as to obtain any requisite certificates or permits relative to the electrical work, plumbing, heating and air-conditioning facilities and elevators at the Building. Prospective Purchasers are advised that permanent Certificates of Occupancy are required for permanent use of the Building, and that a temporary Certificate of Occupancy may be renewed only for a total of two years from the first date of issuance.

In the event that a permanent Certificate of Occupancy has not been issued for the Building as of the First Closing, Sponsor will place in escrow with Sponsor's Counsel, an unconditional irrevocable letter of credit issued by an institutional lender, a surety bond from an institutional lender or recognized bonding company acceptable to the Department of Law, or cash, in each case in an amount equal to the cost of the work remaining to be done by Sponsor in order to obtain a permanent Certificate of Occupancy, as certified by a registered architect, certified engineer or construction manager selected by Sponsor. If Sponsor has placed cash in escrow, such funds will be held by Sponsor's Counsel in escrow in a separate bank account. All interest and income on such escrowed funds will be paid to Sponsor, as and when earned and collected. The escrow funds will be released to Sponsor from time to time, as the work progresses, upon delivery to Sponsor's Counsel of a certificate issued by Sponsor's registered architect, certified engineer or construction manager stating that the remaining amount is sufficient to complete the balance of the work remaining to be done by Sponsor in order to obtain a permanent Certificate of Occupancy. Sponsor's Counsel will rely entirely upon such certificate in releasing such funds and will not make any independent inquiry or evaluation. Any remaining balance of the escrow funds will be released to Sponsor upon the issuance of a permanent Certificate of Occupancy for the Building. If Sponsor has deposited a letter of credit or surety bond, it will be subject to periodic reduction in amount upon the same terms as described above for the reduction and release of a cash deposit.

Following the issuance of a permanent Certificate of Occupancy for the Building, Sponsor will deliver to the Board a complete set of architectural drawings and a complete set of mechanical, electrical, plumbing and sprinkler "as-built" drawings for the entire Building.

f. Architect's Inspection and Certification

In accordance with Section 339-p of the New York 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 appropriate governmental authorities. In addition, such architect or professional engineer shall make periodic inspections at various stages of construction to determine that the Building is constructed in accordance with such plans. The inspection reports shall be available at Sponsor's Office and the Department of Law for examination by the Board for a period of six years from the date of the Plan.

g. Payment of Common Charges and Real Estate Taxes

Sponsor will pay all Common Charges, real estate taxes and special assessments attributable to the Unsold Residential Units in accordance with the provisions of the By-Laws. Sponsor expects to have the financial resources to meet the aforesaid obligations with respect to Unsold Residential Units and fund same from income from projected sales, the rental or leasing of Unsold Residential Units and Sponsor's other financial resources. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments or real estate taxes with respect to Unsold Residential Units.

h. Insurance

Sponsor will initially procure on behalf of the Board, to take effect on or before the date of the First Closing, the insurance relating to the Condominium which is required to be maintained by the Board in accordance with the provisions of the By-Laws (see "Rights and Obligations of the Unit Owners and the Board of Managers" in Part I, Section Q), the cost of which insurance has been reflected in the Projected Budget set forth as Schedule B in Part I, Section E. Such required coverage(s) may be satisfied by any so-called builder's risk policy obtained by Sponsor in connection with the renovation of the Building, provided the limits and terms of coverage set forth in Schedule B are provided under such policy. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

i. Right of Access

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan, performing certain alterations and repairs in or about the Unsold Residential Units and exercising its other rights or performing its other obligations under the Plan. Sponsor will repair any damage caused as a result of such access and will use reasonable efforts to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

j. Dissolution

In the event of the dissolution or liquidation of Sponsor, or the transfer of ten (10) or more units or twenty percent (20%) or more of the total number of units in the Condominium, whichever is less, to a single Purchaser, 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 the Plan and applicable laws or regulations (including, without limitation, Sponsor's representation that will endeavor in good faith to sell the Units offered hereunder but subject to the reservation of the unconditional right to rent or lease, rather than sell, such Units).

k. General

Sponsor's representations, warranties and covenants under this Section of the Plan will survive the delivery of the deeds to the respective Units only for the time periods set forth above. The obligations of Sponsor to pay Common Charges and to perform its other duties as a Unit Owner with respect to any Unsold Residential Units will survive for as long as Sponsor owns the same.

Sponsor agrees to indemnify the Board and the Residential Unit Owners against, hold them harmless from and defend on their behalf any suits, proceedings, or claims arising out of any default by Sponsor in performing its obligations under this Plan or any breach of any representation expressly made by Sponsor in this Plan and resulting: (a) as to any Unit, from any occurrence taking place prior to the closing of title to such Unit; or (b) as to the Common Elements, from any occurrence taking place prior to the First Closing. However, Sponsor will not be liable for, or obligated to defend, any suits, proceedings or claims arising out of any occurrence taking place from and after the respective dates set forth above, except those arising out of any negligence or violation of Article 23A of the New York State General Business Law by Sponsor or as explicitly stated in this Plan.

The obligations of Sponsor hereunder shall be enforceable by the Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by individual Unit Owners if either: (i) the Board fails to take reasonable action to enforce such obligations within 90 days following the giving of notice of such claim by any Unit Owner to the Board; or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Board will expire during the aforesaid 90-day period.

Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. Sponsor's ability to perform its obligations under the Plan will depend on its financial condition from time to time. No warranty is made that Sponsor will be financially able to perform all or any of such obligations.

l. Use of Unsold Residential Units

Sponsor and its designee reserve the right to use or occupy or to rent, hire or lease any Unsold Residential Unit to any Purchaser or non-purchasers at any time, both before and after the First Closing (provided that a permanent or temporary Certificate of Occupancy covering each such Unit has been obtained). Sponsor will endeavor in good faith to sell, but nevertheless, reserves the unconditional right, to rent or lease such Unit to Purchasers and others. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies and rights of occupancy. Moreover, once an Agreement is signed for a Unit, and for so long as such Agreement is in effect, such Unit may be leased only to the Purchaser listed on the Agreement.

Notwithstanding the foregoing or anything contained herein, in the Declaration, By-Laws or the Rules and Regulations to the contrary, Sponsor or its designee may, without the permission of the Board use or grant permission for the use of any Unsold Residential Unit (as

hereinafter defined) for any purpose, including, but not limited to, the use of any Unsold Residential Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations as to any such use.

m. Alterations of Unsold Residential Units

Sponsor shall have the right, pursuant (and subject) to the terms of the Declaration and the By-Laws, as the same may be amended from time to time, without the approval of the Board or any other Unit Owner or any Mortgagee, to make any alterations, additions, improvements or repairs in or to any Unsold Residential Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, the right to combine two or more Unsold Residential Units, or to add more Units by subdividing Unsold Residential Units or to change the number of rooms in, as well as the size, layout and square foot area of any Unsold Residential Unit. An initial purchaser of an Unsold Residential Unit shall have the right, without the approval of the Board, but subject to By-Laws provisions regarding the same, to make any alterations, additions, improvements or repairs in or to such Unit, provided that such purchaser obtains all necessary approvals required by law and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion. Absent Sponsor's consent thereto, Purchasers shall have rights in respect of alterations as are set forth in Article 6 of the By-Laws and described generally in the Section of the Plan entitled "Rights and Obligations of Residential Unit Owners and the Board" below.

n. Successors to Sponsor

Sponsor reserves the right to sell two or more Units and to designate the purchaser of such block(s) of Units as a "sponsor" under this Plan. The party so designated as a "sponsor" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" as more fully described in the Plan.

o. Reservation of Air and Development Rights

Sponsor has expressly reserved to the owner of Commercial Unit 2 all excess air or developmental rights (collectively, the "Development Rights") concerning the possible upzoning in the future which may become appurtenant to the Property. The owner of Commercial Unit 2 has the sole right to transfer or sell such Development Rights, provided, they will not be used to increase the volume of the Buildings nor will be transferred to an entity where they would be used to impact the light and air appurtenant to the Buildings or the economics of the Building. At this time there are no unused excess air rights. None of the Unit Owners (other than the owner of Commercial Unit 2) or the Condominium Board will have any interest in the rents, profits or revenues from the sale or use of any of the Development Rights.

p. Miscellaneous

Sponsor and its designees shall have the right, until the tenth anniversary of the First Closing, to use portions of the Building, without charge, for exhibitions or for other promotional functions with respect to Sponsor's sales program or otherwise.

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O. CONTROL BY SPONSOR

Until the first annual meeting of the Unit Owners (the "First Annual Meeting"), the Board shall consist of three persons designated by Sponsor. Sponsor anticipates designating the following persons as the initial Board members (all of whom are experienced in real estate matters and familiar with the Property): Asher Roshanzamir, Joshua Roshanzamir and Michael Roshanzamir. Sponsor will amend the Plan prior to the First Closing in the event such three persons shall not constitute the initial Board members. The First Annual Meeting shall be held not later than 30 days following the later to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Residential Units to Purchasers; and at such meeting, the incumbent three-member Board designated by Sponsor will resign and a new Board, consisting of seven members, will be elected and/or designated by the Unit Owners and Sponsor, as the case may be, as described below. As a result of the foregoing, there is no provision in the By-laws that assures a majority of the Board will be Unit Owners, Unit occupants or members of a Unit Owner or Unit occupant's household who are unrelated to Sponsor and its principal within two years after the First Closing. In addition, because Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the 15 percent of Units necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium.

The By-Laws do not include a provision that after the expiration of the Initial Control Period, a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. As a result, Unit Owner-occupants may never gain control of the Board under the terms of the Plan. Unit 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 of a home as opposed to an investment.

In addition, because Sponsor reserves the unconditional right to rent or lease the Units, there is no commitment to sell more than the fifteen percent (15%) necessary to declare this Plan effective and Unit Owner-occupants may never gain effective control and management of the Condominium.

From and after the First Annual Meeting, the Board shall consist of seven persons: four members elected by the Residential Unit Owners (including Sponsor) and three members designated by the owners of the Commercial Units (the "Commercial Unit Members").

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests appertaining to the Units owned by Sponsor as it sees fit. However, in addition, at elections of the Board held before the expiration of the Initial Control Period, Sponsor and/or its designee shall have the right to designate not more than four members of the Board, in the aggregate, who are related to or affiliated with Sponsor, such designee or other Unsold Residential Unit Owner(s), and Sponsor, such designee and all other Unit Owners shall have the right to elect the remaining three members of the Board, who shall not be related to or affiliated with Sponsor, such designee or other Unsold Residential Unit Owners.

The Initial Control Period is the period ending upon the later to occur of: (a) the fifth anniversary of the First Closing: or (b) the closing of title to Units representing more than 75%, both in number and in aggregate Common Interests, of all Residential Units which excludes the Setai Units as they are Commercial Units.

In addition, at elections of members to the Board held after the expiration of the Initial Control Period but while Sponsor and/or its designee still owns at least two Residential Units, Sponsor and/or its designee shall have the right to elect or designate not more than two members of the Board, who may be a person related to or affiliated with Sponsor, such designee or other Unsold Residential Unit Owners; and Sponsor, such designees and all other Unit Owners shall have the right to elect the remaining members of the Board.

Accordingly, from and after the expiration of the Initial Control Period, at least five of the seven members of the Board shall not be designated by Sponsor or its designee, unless Sponsor owns the Unit which is at such time the largest Commercial Unit. There is no restriction on the right of Sponsor and/or its designee(s) or other Unsold Residential Unit Owner(s) to vote for members of the Board who are not related to or affiliated with Sponsor or such designee or such Unsold Residential Unit Owner(s). The number of members of the Board may not be increased without the consent of the owner(s) of the Unsold Residential Units, for so long as there remains at least one Unsold Residential Unit.

Until Sponsor no longer designates a majority of the members of the Board, Sponsor will, through its control of the Board, be able to control the maintenance and operation of, and the services to be provided by, the Condominium, and also the determination of Common Charges to be paid by all Unit Owners. Prospective Purchasers should be advised that Unit Owners, Unit 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., for use as a home as opposed to as an investment.

Moreover, during the Initial Control Period, the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Unit (unless required by any applicable Legal Requirements); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium (other than the indebtedness in connection with the Resident Manager's Unit (as defined below) or unless any such borrowing is approved by the owners of Units representing at least 75% both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Residential Unit. However, the Board may perform any function or take any action enumerated in subsections (i) through (v) hereinabove without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the

Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building.

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever the Unsold Residential Units constitute less than 25% of the Common Interest, whichever is sooner.

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P. THE CONDOMINIUM BOARD

1. General

The affairs of the Condominium shall be governed by the Board. The Board shall initially consist of three members designated by Sponsor until the First Annual Meeting of Unit Owners, at which time the incumbent Board will resign and a new Board, consisting of seven members, will be elected by the Unit Owners (including Sponsor) (four such members to be elected by the Residential Unit Owners, and three such members to be elected by the Commercial Unit Owners), subject, however, to the rights of the Sponsor set forth in Section N of this Plan. The First Annual Meeting shall be held not later than 30 days following the later to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units to Purchasers. (See Part I, Sections P and Q). As a result of the foregoing, there is no provision in the By-Laws that assures a majority of the Board will be Unit Owners, Unit occupants or members of a Unit Owner or Unit occupant's household who are unrelated to Sponsor and its principal within two years after the First Closing. In addition, because Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the 15 percent of Units necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium. (See "Meetings and Votes of Unit Owners" in this Section below and "Control by Sponsor" in Part I, Section O).

The term of office of each of the seven members comprising the Board elected or designated at the First Annual Meeting shall be fixed at such meeting as follows: (a) two of such members will serve for a term of approximately three years; (b) three of such members will serve for a term of approximately two years; and (c) one such member will serve for a term of approximately one year. Those members of the first seven-member Board who receive the highest number of votes will serve for the longest terms of office, but except as set forth in the By-Laws, any members elected or designated by Sponsor or its designee as the owner of Unsold Residential Units shall serve for the shortest terms of office. At each annual meeting of Unit Owners subsequent to the first such meeting, the Unit Owners shall elect Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at three years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, each member of the Board (including any member designated by Sponsor or its designee as the owner of Unsold Residential Units) shall serve until a successor has been elected and qualified. Subject to the requirements described in the Section of the Plan entitled "Control by Sponsor", there shall be no limit on the number of terms of office, successive or otherwise, that a Board member (including any member of the Board designated by Sponsor) may serve.

Except for Board members elected or designated by Sponsor or its designee , all members of the Board shall be: (i) individual Unit Owners or Permitted Mortgagees of Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering, a Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Units; (iv) members or employees of a limited liability company owning, or holding a Permitted Mortgage encumbering, a Unit; (v) fiduciaries or their beneficiaries who are owners or Permitted Mortgagees of Units (or officers, directors, employees or stockholders of

corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner or a mortgagee of a Unit. Other than Board members elected or designated by Sponsor or its designee, no Board member shall continue to serve after he or she ceases to be qualified as set forth above.

Prospective Purchasers are advised that Unit Owners, Unit 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., for use as a home as opposed to as an investment.

In no event shall any Unit Owner (or its proxy) or another interested party be eligible for election to the Board, and any such Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Unit Owner is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid. In addition, no member of the Board (or his or her proxy) may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

Members of the Board shall serve without compensation. All officers, Board members and employees of the Building will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The cost of the bonds has been provided for in the estimate of the Common Charges contained in Schedule B in Part I, Section E.

2. Powers and Duties of and Determinations by Board of Managers

The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. As more fully set forth in the By-Laws, all determinations required to be made by the Board shall be by majority of the votes cast at any meeting at which a quorum is present, unless otherwise expressly provided in the By-Laws.

3. Meetings and Votes of Unit Owners

After the First Annual Meeting as described above, annual meetings of Unit Owners will be held within approximately four weeks of the anniversary of the First Annual Meeting on a date to be set by the Board. At each such meeting, the Unit Owners shall elect or designate, as the case may be, members to replace those members of the Board whose terms have expired. In addition, special meetings may be held from time to time pursuant to the By-Laws. At all meetings of Unit Owners, the presence in person or by proxy of more than 50% of the Common Interests attributable to all Units shall constitute a quorum and, except as otherwise provided in the By-Laws or Declaration, a majority of votes cast at any such meeting at which a quorum is present or is not required shall be binding on all Unit Owners.

Each Unit Owner, upon obtaining title, will in accordance with Section 339-e of the Real Property Law, automatically have the right to vote at all meetings of the Unit Owners, based upon the Common Interest appurtenant to each of the Unit or Units owned by such Unit Owner, and at all such meetings, each Unit Owner (or his or her proxy) entitled to vote thereat

(including Sponsor or its designee with respect to Unsold Residential Units) shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to his or her Unit or Units.

4. Officers

The principal officers of the Condominium will be the President, Vice-President and Secretary/Treasurer, all of whom shall be elected by the Board. The Board may also appoint additional officers as the Board in its judgment may deem advisable.

None of the officers of the Condominium need be Unit Owners or have any interest therein or be members of the Board; except that, from and after the first organizational meeting of the Board after the First Annual Meeting, the President of the Condominium must be a member of the Board.

Upon the affirmative vote of a majority of the members of the Board, present in person or by proxy at a regular meeting of such Board, or at a special meeting of such Board called for such purpose, at which a quorum is present or is otherwise not required, any officer may be removed, either with or without cause, and his or her successor shall be elected.

5. Liability of the Board and the Unit Owners

To the extent permitted by applicable law, Board members shall have no liability to the Unit Owners, except that a Board member shall be liable for his or her own bad faith or willful misconduct. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of the bad faith or willful misconduct of such member.

Q. RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD OF MANAGERS

1. Sales and Leases of Units

Each Residential Unit Owner may sell his or her Unit or lease his or her Unit for terms of one (1) year or more provided, in each case, such Unit Owner first gives the Board notice of intention to sell or lease such Unit, accompanied by a fully executed copy of the contract of sale or lease, as the case may be. The Board shall then have the right to purchase or lease the 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 set forth in Article 8 of the By-Laws. If the Board does not elect to purchase or lease the Unit within 20 days after receipt of the notice, or waives such election in writing, the Unit Owner will have 60 days thereafter to consummate the transaction set forth in the contract of sale or lease with the prospective purchaser or lessee, as the case may be, as more particularly set forth in Section 8.1 of the By-Laws. In the event that such sale or lease is not consummated, or if such contract or lease is renegotiated or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Unit Owner, the Unit Owner will be required again to offer the same first to the Board. The Board may not exercise its option to purchase or lease any 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. Any such lease shall be in the form and substance then approved by the Board (as the same may be changed from time to time), including provisions such as a prohibition on assignment or subletting. The Board shall have the right to release or waive such option without the prior approval or a vote of the Unit Owners.

In connection with the foregoing, the Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

If a Residential Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock, or if a Residential Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or other entity, in each case other than through any recognized national securities exchange or "over-the-counter" market, which results in a change in the majority beneficial or legal ownership of such entity, shall also subject the Unit owned by such entity to the requirement that the Unit first be offered to the Board for purchase or lease, as described above.

Notwithstanding the foregoing, without complying with the foregoing restrictions, a Residential Unit Owner may sell, lease or convey his or her Unit, and the owner of any interest in a Unit Owner which is a corporation, partnership, limited liability company or other entity, may sell, lease or convey such interest, to an affiliate or one or more family members, as hereinafter defined, or convey a Unit or interest in a Unit Owner, as the case may be, by gift, or devise it by will, or have it pass by intestacy. (An "affiliate" is defined for purposes hereof as a person or entity that owns 50% or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, or an entity with respect to which such Unit Owner or owner of an interest in a Unit Owner owns 50% or more of the legal and

beneficial interest, and "family member" is defined for purposes hereof as a spouse, adult child, parent or adult sibling, or a trust for the benefit of any one or more of the foregoing and/or one or more minor children of any of the foregoing.) Article 8 of the By-Laws more specifically describes the right of first refusal and those situations in which a Unit Owner may sell or convey his or her Unit to a related or controlled individual or entity.

The restrictions upon the sale or lease of Residential Units shall not apply to Sponsor or its designee with respect to any Unsold Residential Units, to the Board, to any Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, or to the Commercial Units. Such Units may be sold to anyone without first being offered for sale to the Board.

Each conveyance of a Unit by the Owner thereof shall include as part of the property to be conveyed, such Unit Owner's (i) undivided interest in the Common Elements, (ii) undivided interest in any Unit or Units acquired by the Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit) and (iii) undivided interest in any other asset of the Condominium. No part of a Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interest appertains or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

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

2. Use of Residential Units

A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Residential Unit may only be occupied by: (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing.

There is no limit on the number of Unit Owners who may purchase a Unit for investment, rather than for personal occupancy, purposes. As such, there may always be a substantial percentage of Unit Owners who are non-residents of the Condominium.

3. Use of Commercial Units

The Commercial Units may be used, occupied and operated for any legally permitted purpose, including, without limitation, retail, restaurant, banquet, banking, commercial, public event, office, hotel, residential or transient use, fractional or club ownership, storage, garage, and utility purposes. In the event that any Commercial Unit is used for fractional or club ownership use, a separate offering plan will be filed. However, notwithstanding the foregoing, no part of any Commercial Unit shall be used for any of the following uses: (a) the repair, servicing or maintenance of any vehicles, machinery or equipment or the operation of an "automobile repair shop"; (b) funeral parlor; (c) massage parlor or sex club or for the sale or display of pornographic or obscene material; or (d) for any obscene or pornographic purpose or any other commercial sex establishment. A Commercial Unit Owner shall not at any time use or occupy, or suffer or permit anyone to use or occupy its Commercial Unit, or do or permit anything to be done in its Commercial Unit in violation of the certificate of occupancy for its Commercial Unit or for the Building. If any governmental license or permit, other than a certificate of occupancy, shall at any time be required for the proper and lawful conduct of business in a Commercial Unit then being conducted or to be conducted in that Commercial Unit or any portion thereof, then the subject Commercial Unit Owner, at it's own expense, shall duly procure and thereafter maintain such license or permit. Each Commercial Unit Owner shall take all commercially reasonable measures to ensure that no excessive noise emanates from its Commercial Unit.

In addition, without limiting the foregoing, the Commercial Unit Owners shall have the right to subdivide and/or combine the Commercial Units to create additional Commercial Units and to amend the Declaration and Floor Plans as may be necessary in connection therewith. No income derived from any use of the Commercial Units will constitute income to the Board or any other Unit Owner.

4. General Provisions with Respect to Use

No portion of a Residential Unit, other than the entire Residential Unit, may be leased. No nuisance or offensive or unlawful use shall be allowed in the Condominium or any portion thereof. All laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such portion of the Property.

The Rules and Regulations concerning the use of the Residential Units may be amended from time to time by the Board, provided that copies thereof are furnished to each Residential Unit Owner prior to the time that they become effective. Further provisions with respect to the use of the Units are set forth in the By-Laws and the Rules and Regulations.

Each Residential Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven years lives or resides (even temporarily) in the Unit. Each such Residential Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Residential Unit.

5. Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit, in accordance with the provisions of Article 7 of the By-Laws, which requires that the Board be notified in writing of the making of such mortgage and receive a conformed copy of the note and mortgage and that the Unit Owner first satisfy all unpaid liens against the Unit, other than Permitted Mortgages. The Commercial Unit Owner shall have the right to mortgage or otherwise encumber its Commercial Unit without any restriction or limitation.

6. Common Charges: Determination and Assessment

At least once per year, the Board will prepare or cause to be prepared a budget setting forth its projections of the Common Expenses for the next fiscal year and will allocate and assess the Common Expenses among: (a) the Residential Units and (b) the Commercial Units. The Common Charges payable by each Residential Unit Owner will be in proportion to the Unit's percentage Common Interest compared to the total of all Residential Units. The Commercial Unit Owners will be assessed Common Charges to meet the share of only those Common Expenses allocated to the Commercial Units. As discussed in the footnotes to Schedule B and in Article 6 of the By-Laws, each Commercial Unit Owner's shares of Common Expenses will be limited to a share of only certain components of the Common Expenses.

The respective Common Interests of the Units, as estimated by Sponsor, have been allocated to each Unit based upon floor space subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, in accordance with Section 339-i(1)(iv) of the New York State Real Property Law.

The Board will furnish copies of the budgets to all Unit Owners and advise each Unit Owner of the amount of Common Charges payable. Unless otherwise determined by the Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month.

7. Collection and Lien for Non-Payment of Common Charges

Unit Owners may not exempt themselves from liability for Common Charges by waiving use of any of the Common Elements or by abandoning their Units. No Unit Owner, however, will be liable for the payment for any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in Section 6.2 of the By-Laws, a Unit Owner, by conveying his or her Unit (without consideration) to the Board and provided that such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges (provided no amounts are owing under any such lien) and that no violation of the

Declaration, the By-Laws or the Rules and Regulations then exists with respect to such Unit, may be exempt from Common Charges thereafter accruing.

On a resale of any Unit, the purchaser will be liable for the payment of any unpaid Common Charges against such Unit; except that, to the extent then permitted by law, a Permitted Mortgagee acquiring a Residential Unit at a foreclosure sale will not be liable for a lien for the payment of Common Charges assessed against such Residential Unit for the period following the recording of the Permitted Mortgagee and prior to such Residential Unit's acquisition by the Permitted Mortgagee. 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. In the event of a foreclosure by the Board of its lien on any Unit for unpaid Common Charges, or otherwise, if the net proceeds of the foreclosure sale are insufficient for the payment of such unpaid charges, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the original Unit Owner can be sued for the unpaid balance. The Board will also have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Board, on behalf of all Unit Owners, 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 unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. Such liens may be foreclosed by a suit brought in the name of the Board (acting on behalf of all Residential Unit Owners) in the same manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Board may assess Unit Owners a late charge of $.04 for each dollar of Common Charges which remains unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month on such unpaid amounts (plus any "late charges" theretofore collected), plus all expenses of collection. Sponsor obligates itself to cause any members of the Board related to or affiliated with Sponsor to vote in favor of filing a lien against any Unsold Residential Units owned by Sponsor with respect to which payments of Common Charges have not been made within 30 days after the date when due.

8. Borrowing by Board

The Board may, at any time, borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the General Common Elements or Residential Limited Common Elements, respectively; provided, however, that: (A) except as otherwise provided in the By-Laws, the consent of at least 66-2/3% in common interest of all Unit Owners or all Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements or Residential Limited Common Elements, respectively, if such borrowings

are in excess of $100,000 (subject to increase by the CPI Increase Factor) in total any one fiscal year or $250,000 (subject to increase by the CPI Increase Factor) in the aggregate (including borrowings from prior periods) at any one time; (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit; and (C) no Unit Owner other than the Residential Unit Owners shall be liable for the repayment of any such borrowing with respect to the Residential Limited Common Elements exclusively, and the loan documentation in such case shall so provide. 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 Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

In addition to the debt described above, the Board may, without approval of the Unit Owners, at any time, incur, or refinance, debt from time to time secured by a lien on any Unit acquired by the Board pursuant to the Declaration and/or By-Laws; provided, however, that no such financing or refinancing 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 interest in the Common Elements. If any sum borrowed by the Board is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of either all Unit Owners or all Residential Unit Owners (depending on whether the borrowing was made on behalf of all Unit Owners or only the Residential Unit Owners, respectively), 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, and all loan documentation entered into by or on behalf of the Board shall specifically so provide. The dollar amounts set forth above and all other dollar amounts referenced elsewhere in the By-laws, shall be adjusted to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor (as described in the By-Laws).

9. Repairs to and Maintenance of Units and Common Elements

Except as may otherwise be provided in the By-Laws, generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, or ordinary or extraordinary (a) in or to any Unit (other than, in general, to the Common Elements included therein) will be made by the Owner of such Unit at his or her expense, (b) in or to the General Common Elements will be made by the Board and the expense thereof will be charged to the Unit Owners as a Common Expense or (c) in or to the Residential Limited Common Elements will be made by the Board and the expense thereof will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Without limiting the foregoing, Unit Owners shall be responsible for all maintenance, repairs and replacements of all plumbing, appliances and lighting fixtures, and heating and air conditioning units in their respective Units. Notwithstanding the foregoing, each Residential Unit Owner shall be responsible for all ordinary maintenance and cleaning of each Terrace appurtenant to its Residential Unit; however, the costs and expenses of any repairs or replacements, structural or otherwise with respect to each such Terrace (unless caused by or attributable to the applicable Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense.

Each Unit Owner shall promptly comply with all Legal Requirements applicable to his or her Unit. No Unit Owner shall use or permit the use of Hazardous Materials (as defined in the By-Laws) on, about, under, or in his or her Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property.

The washing and cleaning of interior and exterior glass surfaces of windows in the Units shall be the responsibility of the respective Unit Owners. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. All window interiors and exteriors shall be cleaned a minimum of two times per calendar year. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their respective Units and charge the defaulting Unit Owner therefor.

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, or any replacement of glass windows in any Unit because of breakage or otherwise, are necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., such maintenance, repairs or replacements will be made by the Board, and any portion of the cost thereof which is not covered by the insurance maintained by the Board shall be paid by such Unit Owner.

In order to promote a consistent appearance of the Building from the outside, unless waived by the Board, each Residential Unit Owner and each Commercial Unit Owner will be required to install and maintain window treatments having a neutral colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board. Neither the interior nor the exterior glass surfaces of any windows located in any Residential Unit or Commercial Unit may be altered, colored or painted.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in a clean and sanitary condition, and in good working order (and all portions thereof exposed to public view shall be kept in a neat appearance and in first-class condition in accordance with the high quality, character and dignity of the Building), in each case, by the Unit Owner or the Board, whichever is responsible, under the By-Laws, for the maintenance thereof. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Board, at the expense of such Unit Owner, may enter such Unit and perform such acts as are necessary to cure such default. (See subsection entitled "Rights of Access" below.)

Any alteration, addition, improvement or repair in or to a Unit or any Common Elements must comply with all legal requirements.

10. Alterations and Improvements of Units

No Residential Unit Owner may make any alteration, addition, improvement or repair in or to such Unit Owner's Unit that affects the structure of the Building and/or the Building's systems without the prior written approval of the Board but, as more fully set forth in the Declaration and By-Laws, this provision does not apply to an Unsold Residential Unit. Except as otherwise permitted in the Declaration and By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Board. The 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.

The Commercial Unit Owners may make alterations, additions, and improvements in or to the Commercial Units (including any decorations that are compatible with the first class character and location of the Building) without obtaining the approval of the Board, except that Alterations which would affect the structural, mechanical, electrical or plumbing elements of the Building, or the exterior appearance of the Building, shall be subject to the approval of the Board, which approval shall not be unreasonably withheld. In the event that a dispute arises between a Commercial Unit Owner and the Board regarding any Alteration subject to the Board's approval, such dispute shall be submitted to arbitration in accordance with the By-Laws.

The Board, at its option, may require a Residential Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made. Any Unit Owner making or permitting an alteration, addition, improvement or repair in its Unit is required by the By-Laws to (i) obtain such insurance as the Board or the Managing Agent may require, (ii) indemnify the Board, all other Unit Owners and the Managing Agent against any liability arising from the work, (iii) reimburse the Board for its architectural, engineering and legal fees incurred in connection with such work, (iv) employ such architects, engineers, contractors, workers, suppliers and other laborers who are reasonably acceptable to the Board and Managing Agent; and (v) perform such work in a manner which will not interfere with, or cause any labor disturbances or stoppages (which may result from, among other things, the use of non-union labor) in, the work of Sponsor, the Board, any Commercial Unit Owner, or other contractors or subcontractors employed by such parties or otherwise in the Building. In addition, no work or change by or on behalf of a Residential Unit Owner will be permitted without the consent of the Board (which consent may be withheld or conditioned in the sole discretion of such Board) if such work or change would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued.

The foregoing restrictions affecting Residential Units shall not apply to Sponsor or its designee in respect of the Unsold Residential Units or to the Commercial Units. There are no restrictions on the ability of Sponsor or its designee to alter or improve any Unsold Residential Unit or Commercial Unit (including, without limitation, dividing, subdividing and combining one or more Unsold Units or portions of same). Additionally, to the extent permitted by law, and subject to certain restrictions set forth in the Declaration and By-Laws, the

Commercial Unit Owner will have the right with regard to its Unit, without the consent of the Board, the Managing Agent, other Unit Owners, or any other party, to mortgage or otherwise hypothecate its Unit, to decorate or make alterations, additions or improvements to its Unit (except that alterations, additions or improvements which would affect the structural, mechanical, electrical or plumbing elements of the Building or the exterior appearance of the Building shall be subject to the approval, not to be unreasonably withheld, of the Board) and to combine or subdivide its Commercial Unit into one or more new constituted Commercial Units.

Furthermore, an initial purchaser of an Unsold Residential Unit shall have the right, without the approval of the Board, to make any alterations, additions, improvements or repairs in or to such Unit, provided that such purchaser obtains all necessary approvals required by law and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion.

Any alteration, addition, improvement or repair in or to a Unit or any Common Elements must comply with all Legal Requirements.

11. Alterations and Improvements of Common Elements

Generally, all alterations, additions or improvements in or to the Common Elements will be made by the Board. Except as otherwise provided in the By-Laws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Residential Limited Common Elements will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Whenever, in the judgment of the Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than $250,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence, including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgagee Representatives"), or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges.

Any additions, alterations, or improvements costing $250,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Board without the approval of the Unit Owners.

Notwithstanding the foregoing, elevator landings which serve fewer than three Residential Units may be decorated and/or furnished by the adjoining Unit Owners as they

desire, at their expense, provided that each such Unit Owner consents in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may be granted or withheld in the Board's sole discretion. After an elevator landing is decorated and/or furnished by the Unit Owners serviced by the same, the Owners of such Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same.

In addition, as set forth in the By-Laws and to the extent permitted by law, the Owner or Owners of any one or more Residential Units, if such Unit or Units are the only Unit or Units serviced or benefited by any Common Elements adjacent or appurtenant thereto (for example, that portion at the end of a hallway that is directly adjacent to the Unit or Units located at the end of such hallway) and not affecting access or service (including, without limitation, heating, ventilating and air-conditioning) to any other Unit or to any other portion of the Common Elements shall, with the consent of the Board (which consent shall not be unreasonably withheld or delayed and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the right to use such Common Elements exclusively (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such an event, however, such Unit Owners shall, at their sole expense, (i) operate, maintain and repair such Common Element for so long as such Owners exercise such exclusive right of use and (ii) restore such Common Element to its original condition, reasonable wear and tear excepted, after such Owners cease to exercise such exclusive right of use.

In addition, Sponsor (or its designee or other owner of Unsold Residential Units) and the Commercial Unit Owner shall have such rights as are described in the Declaration, to erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability for sale or rental of any Unsold Residential Unit or the Commercial Units or the operation of any business of Sponsor, a tenant, occupant managing agent or operator of the Commercial Unit including, but not limited to, signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

12. Rights of Access

As more fully set forth in the Declaration and By-Laws, the Board and any managing agent, manager and other persons authorized by the Board will have a right of access to any Unit for the purposes, among others, of: (a) making inspections of, or removing violations of governmental laws or regulations against, any part of the Property; (b) curing defaults under the By-Laws, Declaration or Rules and Regulations by the owner of such Unit; (c) performing maintenance, installations, alterations, repairs or replacements to the mechanical plumbing or electrical systems, or other portions of the Common Elements, located within such Unit or elsewhere in the Building; or (d) correcting any conditions originating in any Unit and threatening another Unit or any Common Element.

In the event that the Board or any Unit Owner fails to maintain or repair parts of the Building required to be maintained or repaired by the Board or Unit Owner, or in the event of

any breach of the Declaration, By-Laws or Rules and Regulations, Article 6 of the By-Laws provides for certain specified rights to perform such maintenance or repairs or cure such breach.

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

Each Unit Owner must strictly comply with the provisions of the Declaration, By-Laws and Rules and Regulations. Pursuant to Section 339(j) of the Condominium Act, failure so to comply will be grounds for an action for damages or injunctive relief, or both. The By-Laws, together with the initial form of Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

14. 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 (unless three-fourths or more of the Building is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, fixtures, furniture, furnishings and other personal property not constituting a part of such Unit).

If the insurance proceeds are insufficient to cover the cost of repairs or restoration, Unit Owners may be assessed for such deficiency. If there is a surplus of insurance proceeds, the surplus shall be paid to Unit Owners in accordance with the following paragraph, except that no payment shall be made to a Unit Owner until there has first been paid out of his or her share, such amounts as may be necessary to reduce unpaid liens on his or her Unit, other than Permitted Mortgages, in the order of priority of such liens.

If only the Commercial Units are destroyed or damaged by fire or other casualty and if the net insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the Commercial Unit Owners will bear the entire amount of the deficit, or shall receive all of the excess, as the case may be, in proportion to their respective Common Interests. Similarly, if only the Residential Units and/or the Residential Limited Common Elements are 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 by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the General Common Elements, or any combination of the Commercial Units and the Residential Units, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners, or by the Unit Owners of the affected portions of the Building, as appropriate, in proportion to their respective Common Interests.

In the event of a loss for which the proceeds of all policies of physical damage insurance maintained by the Board exceed $2,500,000, the proceeds shall be payable to a New York City bank or trust company designated by the Board as insurance trustee pursuant to the provisions of Sections 6.4.3 and 12.7 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.

Notwithstanding any of the foregoing, if three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not duly resolve within 60 days from the date of such damage or destruction to proceed with the repair or restoration thereof, the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if the Building were 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: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Member, and the third chosen by the other two appraisers); and (ii) then among the Unit Owners within each class of Unit in proportion to the respective Common Interests of such Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

15. Insurance

Under Section 6.4 of the By-Laws, until payment in full of the debt under the mortgage (the "Construction Mortgage") which secures or will secure Sponsor's construction loan for the renovation of the Building (the "Construction Loan") or assignment of such Construction Mortgage by the lender under such Construction Loan to Sponsor's designee, whichever occurs first, the Board must comply with the obligations of the Construction Mortgage with respect to the coverages required to be obtained and maintained with respect to the Building. However, all such policies will include coverage of at least the types and in at least the limits as are set forth in the Notes to Schedule B, the Projected Budget for the First Year of Condominium Operations.

Furthermore, under Section 6.4 of the By-Laws, subject to the provisions of the preceding paragraph, the Board is required to obtain and maintain, to the extent obtainable at commercially reasonable premiums and to the extent determined by the Board to be appropriate, the following insurance: (a) property insurance with all risk extended coverage (excluding terrorism and mold coverage), vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, decorations, appliances and other personal property not constituting part of the Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings), without deduction for depreciation; (b) rent/business income insurance in an amount equal to Common Charges for one year; (c) workers' compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Board; (f) water damage insurance to the extent, if any, determined by the Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all Board members, officers, directors and employees of the Condominium and of the Managing Agent who handle funds of any of the foregoing; (i) directors' and officers' liability coverage; and (j) such other insurance as the Board may from time to time determine. The Board will not be

required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the By-Laws.

Any of the coverages required to be maintained by the Board may be satisfied by any so-called builder's risk policy obtained by Sponsor in connection with the renovation of the Building, provided the limits and terms of coverage set forth in Schedule B are provided under such policy. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

The amount of fire insurance and all risk extended coverage to be maintained with respect to the Condominium (including each Unit, but excluding such items noted in subsection 6.4.1 to be excluded) until the first Board meeting following the First Annual Meeting of Unit Owners shall be 100% of the full replacement cost of the Property (or such lesser amount as may be provided for in the Notes to Schedule B, the Projected Budget for the First Year of Condominium Operations.

All such policies of physical damage insurance which the Board is required to maintain shall contain, to the extent obtainable at commercially reasonable premiums, 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 cancelled or substantially modified without at least 30 days' prior written notice to all of the insureds, if possible, including Permitted Mortgagees, who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to those persons or entities who have requested the same from the Board in writing. Renewals shall be obtained at least 10 days prior to the expiration of the then current policies if possible.

The Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, covering (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents and Permitted Mortgagees, if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within or about its own Unit or within or about the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the first annual meeting of Unit Owners, such liability insurance with respect to any occurrence, as well as umbrella coverage, be in at least the respective amounts provided for in the First Year's Budget and at no time and in no event shall such comprehensive general liability insurance afford protection to the limit of less than such amounts (to the extent then reasonably obtainable by the Board). The Board shall also be required to obtain and maintain fidelity insurance covering the Board, the Managing Agent, each Board member and each officer and employee of the Condominium in respect of the maintenance and/or operation of the Building or any part thereof. The insurance required in

accordance with this paragraph shall also cover cross-liability claims of one insured against another, unless otherwise excluded as a term or condition in the policy.

Any insurance maintained by the Board may provide for such deductible amounts as the Board may determine. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners in such proportions as are equitable (as determined by the insurance carriers thereof or their agents, brokers or such other parties designated by the Board).

The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain comprehensive general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit and the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $3,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Residential Unit Owners are urged to obtain casualty insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. All insurance policies required to be maintained by the Board will be on a "replacement cost" and will not cover losses to the extent that market value may exceed such replacement cost.

All insurance policies required or permitted to be maintained by Unit Owners hereunder shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and further provide that the liability of the carriers issuing insurance obtained by the Unit Owner shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the By-Laws.

16. Liability of Board of Managers and Unit Owners

Every contract made by the Board, any officer of the Condominium, or the Managing Agent shall state that (a) it is being executed by such party only as agent for all Unit Owners (or, if for only the Residential Unit Owners, as agent for the Residential Unit Owners), and such Board members, officer or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners (or to all Residential Unit Owners, in the case of a contract made solely for the benefit of the Residential Unit Owners) and (ii) to the extent permitted by applicable Legal Requirements, or as otherwise determined by the Board in its sole and absolute discretion, such Unit Owner's interest in his or her Unit and its appurtenant Common Interest.

To the extent permitted by applicable Legal Requirements, Board members shall have no liability to Unit Owners, except that a Board member shall be liable for his or her own bad faith or willful misconduct. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each Board member against any liability or claim except those arising out of the bad faith or willful misconduct of such member.

17. Amendments to Condominium Documents

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

Notwithstanding the foregoing and subject to the provisions contained in the By-Laws or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any Unsold Residential Units, the Commercial Units or the Commercial Unit Owners or Permitted Mortgagees: (i) no amendment, modification, addition or deletion pursuant to the provisions of clause (a) or (c) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative(s), if any; and (ii) no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Commercial Mortgagee Representative, if any.

Notwithstanding any provision contained herein or the Declaration or By-Laws to the contrary, no amendment, modification, addition to or deletion of the Declaration, the By-Laws or the Rules and Regulations shall be effective in any way against: (a) Sponsor or its designee, for so long as Sponsor or its designee is the owner of one or more Units, or any Unsold Residential Unit, unless Sponsor or its designee, as applicable, has given its prior written consent thereto, or (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Residential Unit unless such holder has given its prior written consent thereto; and no such amendment, modification, addition or deletion may in any manner which adversely affects the Commercial Units or Commercial Unit Owners or the rights,

benefits, easements, privileges or exemptions of such Commercial Unit Owners, without the consent of the affected Commercial Unit Owners.

It is possible that amendments, modifications, additions or deletions of or to the Declaration, By-Laws and Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Units, the subdivision of the Commercial Units into individual commercial condominium units and/or the offering for sale or lease of all or any portion of the Commercial Unit. In connection therewith, the Commercial Unit Owner(s) may, subject to compliance with all applicable Laws, if any, cause the Declaration, By-Laws and Rules and Regulations to be amended, modified, added to or deleted from and the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Units and Residential Unit Owners.

Notwithstanding anything to the contrary contained herein, in the Declaration or in the By-Laws, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, the By-Laws or the Rules and Regulations is requested, then, provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within ten (10) Business Days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification), if such Unit Owner does not notify the sending party in writing within ten (10) Business Days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification. The foregoing shall not apply to notices given to Sponsor or any other holder of Unsold Residential Units requesting the Sponsor's or such holder's consent to a proposed amendment or modification.

18. Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless the Condominium shall be terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time, if any, as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of at least 80% in both number and aggregate Common Interests of all Unit Owners as set forth in the Declaration and the By-Laws. No such vote shall be effective, however: (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of a majority of the Mortgage Representatives, if any; and (b) without the written consent of Sponsor or any other owner of Unsold Residential Units for so long as any such Person owns any Unsold Residential Unit(s), provided that in no event shall any such consents in this clause (b) be required more than five years after the earlier to occur of the First Closing.

In the event of withdrawal of the Property from condominium ownership, and only to the extent the waiver of the right of partition shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if the Property were owned in common, in which event the net proceeds of the sale shall be divided

among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be selected by the Commercial Unit Member, and the third chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

19. Units Acquired by the Board

All Units acquired or leased by the Board (including, if applicable, the Commercial Unit) or its designee shall be held by the Board, or its designee, on behalf of all Unit Owners. 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 Board shall carry any voting rights.

The purchase of any Unit by the 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 Board by or on behalf of Unit Owners. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit in proportion to its respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit and thereafter refinance the same; provided, however, that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased or refinanced, as the case may be, together with its appurtenant interest in the Common Elements.

20. Procedure to Review Real Estate Tax Assessments

The Board, on behalf of and as agent for all Residential Unit Owners, and on behalf of the Commercial Unit Owner to the extent requested and authorized to do so in writing by such Commercial Unit Owner, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units owned by such Unit Owners. All such Unit Owners will share, and indemnify the Board as to, the costs in connection with such proceedings and the benefits derived therefrom.

In the event any Unit Owner individually seeks to have the assessed valuation of his or her Unit reduced by bringing a separate certiorari proceeding, the 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 Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

The Commercial Unit Owner shall pursue any such proceedings separately and not as part of the proceedings described in this paragraph in respect of the Residential Units.

21. Mechanics' Liens

Under the current provisions of the New York 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. 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 but all Common Charges received by the Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Board or the Managing Agent acting on its behalf.

22. Easements

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements, including easements in favor of Sponsor, other Unit Owners and the Board. These easements, which are more particularly set forth in Articles 14 and 15 of the Declaration, include an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace Common Elements and, generally, an easement of support and of necessity in favor of all Units and the Common Elements. These easements shall be exercised in a manner that will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of any of the Residential Units for their permitted purposes.

Among other things, the Commercial Unit Owners shall also 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 the Commercial Unit Owners to utilize such easement for its own account or the account of any licensee of the Commercial Unit Owners for the purpose of servicing the Condominium or any other building or area. In addition, Sponsor 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 (including, without limitation, on its roof and exterior walls) for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

23. Branding and Marketing Agreement

Prior to the First Closing, the Board will enter into a Branding and Marketing Agreement (the "Board Branding Agreement") with The Setai Group, a New York limited liability company ("Setai Licensor"), pursuant to which the Board will be granted a non-exclusive license by Setai Licensor to use the trademarks, service marks, trade names and other identifying characteristics of the Setai Brand owned, licensed or being registered by Licensor (the "Setai Intellectual Property") and its affiliates in connection with the Board's operation of the Condominium. The license granted to the Board by Setai Licensor will be subject to specific Quality Control Standards and to guidelines governing the use of the Setai Intellectual Property,

all as set forth in detail in the Board Branding Agreement. The Board Branding Agreement will be for a term commencing on the date of the First Closing and will continue for as long as the Board, or any successor or assign of the Board, is a validly existing entity, unless sooner terminated pursuant to the provisions of such Agreement.

24. Signage

There will be signs, notices, advertisements and illuminations (collectively "Signage") on various exterior portions of the Building, on or at windows and in interior public spaces of the Building, which may be affixed by Sponsor, the Board and/or one or more of the Commercial Unit Owners, all as and to the extent provided in the Declaration and/or By-Laws. Sponsor makes no representation and shall have no liability whatsoever with respect thereto. Any signage affixed by the Board that uses the Setai Intellectual Property shall be subject to the approval of Setai Licensor and subject to further terms and conditions of the Board Branding Agreement. Only the Board is licensed to use the Setai Intellectual property under the terms of the Board Branding Agreement. No other party may use the Setai Intellectual Property in any signage, or otherwise, without the express consent of Setai Licensor.

R. REAL ESTATE TAXES

The projection of the real estate taxes that will be payable for each of the Units during the projected First Year of Condominium Operation is based upon an estimate that the aggregate real estate taxes for the Units upon completion of renovation for such first year will be approximately $2,094,700 including $1,413,000 attributable to the Residential Units, $681,700 attributable to the Commercial Units. This estimate has been based upon: estimates made by Podell, Schwartz, Schechter & Banfield, Sponsor's real estate tax consultant, that the approximate assessed values of the Units upon completion of renovation of the Building during the 2007/2008 tax year, will be as follows: Residential Units: $11,397,000; and Commercial Units: $6,028,000. These estimates have been made applying the tax rate in effect for the twelve month period commencing July 1, 2007 (i) as to the Residential Units will average $12.396 per $100 of assessed valuation, and (ii) as to the Commercial Units will average $11.306 per $100 of assessed valuation.

No guaranty or assurance is given that (i) any of the assumptions described above will be valid, (ii) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such first year) will approximate the actual amount, (iii) the estimated or actual amount of assessed value of the Property following the projected First Year of Condominium Operation and the taxes payable based upon such assessment (which may be significantly higher to the extent that a portion of the Property is not fully assessed during such First Year) or (iv) the Real Estate Tax Assessment Bureau of the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units or classifications of Units in accordance with the values used by Sponsor's real estate tax consultant for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined.

Until the Units are separately assessed, each Unit Owner will pay to the Board a share of the Property's real estate taxes for the period in question calculated as follows: the total real estate taxes for the Condominium will be allocated among the categories of Units on the basis of approximately 65.03460% of such taxes to the Residential Units and 34.96540% of such taxes to the Commercial Units. These allocation percentages reflect the relative approximate square footage areas of each of these classes of Units exclusive of Common Elements, as estimated by Sponsor's real estate appraiser. The share so allocated to the Residential Units (as the case may be) will then be pro-rated to each individual Residential Unit, respectively, on the basis of the ratio that the initial offering price for the Unit set forth in Schedule A above bears to the total initial offering prices of all Residential Units, respectively, set forth in Schedule A. The Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Residential Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost

and expense. If Unit Owners fail to pay their pro rata share of Real Estate Taxes as set forth above, the Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I, Section Q, for further discussion.) A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

There is no assurance that the proration of taxes described in the paragraph above will equal the actual amount of real estate taxes which will be assessed against the Units, and the actual amounts may vary considerably from the method set forth above.

Real estate taxes will be adjusted between Sponsor and each Purchaser at the closing of title to each Unit based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed to each Unit as of the closing, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period determined as provided in the By-Laws.

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S. PARTIAL REAL ESTATE TAX EXEMPTION (Section 421-g and 421-a)

Sponsor intends to apply, on behalf of the Residential Unit Owners, to the New York City Department of Housing Preservation & Development ("HPD") for a partial real estate tax exemption and abatement under Section 421-g of the New York Real Property Tax Law ("Section 421-g") and Section 421-a of the New York Real Property Tax Law ("Section 421-a"). NEITHER SPONSOR, SPONSOR'S COUNSEL, THE SELLING AGENT, THE MANAGING AGENT NOR ANY OTHER PERSON MAKES ANY REPRESENTATION OR WARRANTY THAT A PARTIAL TAX EXEMPTION FROM REAL ESTATE TAXES UNDER SECTION 421-G OR SECTION 421-A WILL BE GRANTED OR, AS TO THE AMOUNT, IF ANY, OF THE MINIMUM TAX WHICH WILL BE ASSESSED AGAINST THE RESIDENTIAL UNITS OR THE AMOUNT OF REAL ESTATE TAXES PAYABLE AT ANY TIME BY ANY RESIDENTIAL UNIT OWNER. There is no guaranty or assurance that the criteria for Section 421-g or Section 421-a benefits will be satisfied and neither Sponsor nor Sponsor's Counsel offers any opinion with respect to the eligibility of the Residential Units for Section 421-g or Section 421-a benefits. If, for any reason, an application is not approved by HPD, the Units will be subject to full taxation and will receive no benefits under Section 421-g and/or Section 421-a. See Schedule A included in Part I, Section D of the Plan for projected monthly real estate taxes for each Residential Unit with and without the benefits under Section 421-g and/or Section 421-a.

The 421-g program provides an exemption from real estate taxes for local purposes, other than assessments for local improvements, on the amount of the assessed value attributable exclusively to the physical improvement, for a period not to exceed twelve consecutive years beginning in the tax year immediately following the issuance of a Certificate of Eligibility by HPD, so long as the eligible multiple dwelling is used or held out for use for residential dwelling purposes. The exemption during the first eight exemption years will be equal to the amount of the assessed value attributable exclusively to the physical improvement.

During years nine, ten, eleven and twelve following the issuance of a Certificate of Eligibility by HPD, the exemption shall decline by 20% per year, as set forth below:

Year Following Date of Issuance of Certificate of Eligibility	Percentage of Applicable Exemption
1-8	100%
9	80%
10	60%
11	40%
12	20%
13	0%

Increases in assessment not attributable to the physical improvement of the building, such as land assessment increases, increases in assessment due to general uptrend in value, or "equalization" increases in assessment will not be accorded exemption benefits.

The 421-g program also provides an abatement of real property taxes for a period not to exceed 14 consecutive years, commencing in the tax year immediately following the issuance of a Certificate of Eligibility, so long as the eligible multiple dwelling is used or held

out for use for residential dwelling purposes. For the first year, the abatement will be equal to the amount of real property taxes which would have been due after application of the foregoing exemption, but before the application of such abatement. During the second through tenth years, the abatement will be equal to 100% of that amount. During years eleven, twelve, thirteen and fourteen following the issuance of a Certificate of Eligibility by HPD, the abatement shall decline by 20% per year, as set forth below:

Year Following Date of Issuance of Certificate of Eligibility	Percentage of Applicable Abatement
1-10	100%
11	80%
12	60
13	40
14	20
15	0%

A retroactive reduction of the first year's assessment will result in a retroactive recalculation of the abatement benefit and may negatively impact on the exemption benefit.

The 421-a program provides for a partial, 10-year, phased in, real estate tax exemption. Prospective purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over five fiscal tax years in annual increments of twenty percent each. Any further increase in assessed valuation during such five-year period resulting from a still higher market value is similarly phased in over an additional five-year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the five-year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such five-year period is called the "transitional" assessed valuation.

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 years of condominium ownership as an integral part of the Section 421-a program. Subject to a minimum required tax ("the mini-tax"), the ten year exemption from taxation consists of two years of full exemption, followed by two years of exemption from 80 percent of such taxation, followed by two years of exemption from 60 percent of such taxation, followed by two years of exemption from 40 percent of such taxation, followed by two years of exemption from 20 percent of such taxation.

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

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.

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T. INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the Plan was prepared by Sponsor based, in part, upon the opinion of Sponsor's Counsel, a copy of which opinion is included herein in Part I, Section U of the Plan. Prospective Purchasers should refer to such opinion letter itself for a more detailed discussion of the tax consequences summarized below.

Prospective Purchasers should note that the opinion letter addresses the tax consequences that would result from the ownership of a Residential Unit by an individual resident of New York for use as a qualified residence. It does not address, among other things, the tax consequences that might result from the ownership of a Residential Unit by a taxpayer that is not an individual or who is a foreign person. It also does not address the tax consequences that might result from the ownership of a Residential Unit that is held by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income.

KRAMER LEVIN NAFTALIS & FRANKEL LLP IS COUNSEL TO SPONSOR AND NOT TO ANY PURCHASER UNDER THE PLAN. EACH PURCHASER SHOULD CONSULT WITH HIS OR HER OWN TAX COUNSEL, ACCOUNTANT OR OTHER FINANCIAL ADVISOR AS TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF A RESIDENTIAL UNIT.

1. Deductibility of Real Estate Taxes and Mortgage Interest

Each Residential Unit Owner will own legal (fee simple) title to his or her Residential Unit, together with an undivided interest in the Common Elements. Subject to certain restrictions, each Residential Unit Owner may mortgage his or her Residential Unit, and thereby become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. Additionally, each Residential Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. As a result, each Residential Unit Owner will be individually liable for the real estate taxes and assessments levied against his or her Residential Unit.

Generally, it is the opinion of Sponsor's Counsel that each Residential Unit Owner will, under the present income tax laws and regulations, for Federal, New York State and New York City income tax purposes, subject to certain qualifications and limitations discussed below, be entitled to a deduction for:

(a) the real estate taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; and

(b) "qualified residence interest" paid by such Residential Unit Owner with respect to such Residential Unit.

Qualified residence interest includes interest paid by the Residential Unit Owner on: (i) debt used to acquire, construct or substantially improve any "qualified residence," as defined below, and secured by such residence, up to $1,000,000 in the aggregate ($500,000 in the case of a married individual filing a separate return); and (ii) in general, other indebtedness secured by a qualified residence, up to $100,000 in the aggregate ($50,000 in the case of a married individual filing a separate return). Interest on home mortgage indebtedness in excess of these limitations is not deductible.

A "qualified residence" means: (i) the "principal residence" of the Residential Unit Owner and (ii) one other residence selected by the Residential Unit Owner.

Prospective Purchasers should note that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under certain circumstances), and that the deductions for real estate taxes and qualified residence interest may be subject to the overall limitation on the allowance of itemized deductions No deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax and interest deductions may be limited for such purposes. New York State and New York City limitations on deductions may also apply.

2. Taxation of the Condominium

In certain circumstances, a condominium board may elect to be treated as a "homeowners association" within the meaning of Internal Revenue Code section 528(c) and, therefore, could elect to be exempt from Federal income tax on Common Charges received from Residential Unit Owners ("exempt function income"). In order for the Board to qualify to make such election, section 528 and the Treasury Regulations promulgated thereunder require, among other things, that at least 85% of the total square footage of all the Units within the Condominium be used by individuals for residential purposes and that the Board meet certain gross income and expenditure tests. As it is currently anticipated that less than 85% of the total square footage of all the Units in the Condominium will be used by individuals for residential purposes, the Board will not be eligible to make this election.

Absent the application of Code section 528, the status of the Board for Federal, New York State and New York City income tax purposes is uncertain. If the Board is deemed to be merely a conduit for the Unit Owners, all income earned by the Board, less the expenses incurred in earning such income, would be deemed to constitute income to the Unit Owners and be taxable to them. However, under this analysis, Common Charges might not be considered income to the Board.

If the Board were to be treated as a separate entity, it is unclear whether it would be taxable as a corporation or treated as a partnership. If the Board is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax, the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Board is treated as a partnership, the Unit Owners (but not the Board) would be subject to Federal and New York State income tax on the taxable income of the Board. In addition, in that instance the Board may be subject to the New York City Unincorporated Business Tax. In determining the

taxable income of the Board, the deductions attributable to furnishing services to Unit Owners may be limited to membership income. Certain amounts expended for the benefit of Residential Unit Owners, and possibly rebates, if any, to Residential Unit Owners of excess membership dues, fees or assessments, may be treated as distributions to them.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance will allow any of the deductions mentioned in this Section T or that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which counsel to Sponsor bases its opinion, will not change. In addition, no warranties are given by Sponsor, counsel to Sponsor, the Selling Agent, the Managing Agent or any other person connected with this offering, with respect to the tax consequences of the Plan or the tax consequences of ownership of any Residential Units offered under the Plan, and no one has been authorized to give any such warranties.

Internal Revenue Service Circular 230 Disclosure. This discussion was written to support the promotion or marketing of the sale of Residential Units. To ensure compliance with requirements imposed by the Internal Revenue Service, Purchasers are advised that this discussion was not intended or written to be used, and cannot be used, by any taxpayer, including purchasers of Residential Units, for the purpose of avoiding tax-related penalties that may be imposed on the taxpayer under the Code. Purchasers of Residential Units should seek advice based on their particular circumstances from an independent tax advisor.

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KRAMER LEVIN NAFTALIS & FRANKEL LLP

U. OPINION OF COUNSEL

TAX OPINION OF SPONSOR'S COUNSEL

November 16, 2006

40 Broad LLC
c/o Zamir Equities
587 Fifth Avenue, 7th Floor
New York, New York 10017

Re: Condominium Offering Plan for
The Setai Condominium Residences at 40 Broad
Street (the "Condominium")

To Whom It May Concern:

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 individual residents of New York who purchase Residential Units pursuant to the above-referenced Offering Plan (the "Plan"), and (ii) the income tax treatment to the Board of Managers of the Condominium (the "Condominium Board") of the assessments payable by Residential Unit Owners to meet common expenses of the Condominium ("Common Charges").

In connection with rendering this opinion, we have reviewed the Plan (including the exhibits thereto), relevant sections of the Internal Revenue Code of 1986, as amended (the "Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder and such other material as we deemed relevant. The opinions expressed herein are based upon the assumptions that (1) the Plan becomes effective and is consummated in accordance with its terms, (2) condominium ownership of Residential Units located in the premises known as 40 Broad Street is established under applicable law and (3) the legal consequences of the Plan are as described therein. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

The Plan provides for the establishment of condominium ownership of the land and building, and appurtenances thereto, comprising The Setai Condominium Residences at 40 Broad Street, situated at 40 Broad Street, New York, New York. The Condominium will be comprised of Residential Units, Commercial Units, and Common Elements. This opinion addresses certain of the Federal, New York State and New York City income tax consequences that would result from the ownership of a Residential Unit by an individual resident of New York for use as a qualified residence. It does not address, among other matters, the tax consequences of ownership of Commercial Units by any person or entity, and does not address, among other matters, the tax consequences of the ownership of Residential Units by

corporations, other entities, or foreign persons or by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income.

Deductibility of Mortgage Interest and Real Estate Taxes

Each Residential Unit Owner will own his or her Residential Unit and an undivided interest in the Common Elements in fee simple and, under New York State Law, each Residential Unit (including its undivided interest in the Common Elements) will be taxed as a separate parcel for real estate tax purposes. Each Residential Unit Owner may mortgage his or her Residential Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness, and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Residential Unit. Under these circumstances, the Internal Revenue Service has ruled that the owner of a residential condominium unit who itemizes deductions in filing his or her Federal income tax returns 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.

Based on the foregoing, and subject to the limitations expressed herein, it is our opinion that each individual Residential Unit Owner who itemizes deductions will be entitled under current law to deduct from his or her gross income for Federal, New York State and New York City income tax purposes, real estate taxes assessed against his or her Residential Unit and paid to the local authority, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code and applicable New York State and New York City limitations. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Residential Unit Owners should consult their tax advisors regarding the applicability of the limitation on itemized deductions to the deductibility of real estate taxes, and the effect of the alternative minimum tax.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid during the taxable year on "acquisition indebtedness" or "home equity indebtedness" with respect to a "qualified residence" of the taxpayer. A "qualified residence" means the principal residence of the taxpayer and one other residence of the taxpayer selected by the taxpayer for the taxable year. "Acquisition indebtedness" means any indebtedness which is secured by any qualified residence of the taxpayer and which is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt). The aggregate amount treated as acquisition indebtedness for any period cannot exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return). "Home equity indebtedness" means any indebtedness (other than acquisition indebtedness) secured by a qualified residence, up to the excess of the fair market value of such qualified residence over the amount of acquisition indebtedness with respect to such residence. The aggregate amount treated as home equity indebtedness for any period cannot exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Accordingly, an owner of a Residential Unit who itemizes deductions and who uses such Residential Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income, subject to

an overall limitation on itemized deductions as set forth in Section 68 of the Code, for Federal income tax purposes, interest paid by him or her on (i) acquisition indebtedness incurred with respect to such 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 such 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 advisors regarding the application of such rules to them, as well as regarding the deductibility of interest with respect to their Residential Units for alternative minimum tax purposes (which at present is subject to rules different from those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisors regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Each owner of a Residential Unit who uses such Residential Unit as a residence will generally be entitled to the same deduction for interest and real estate taxes paid or accrued with respect to such 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 further reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Furthermore, purchasers should consult their tax advisors to determine the application, if any, of the New York State and New York City minimum tax to the deduction for interest and real estate taxes with respect to their Residential Units.

Common Charges

Under the Plan, the Condominium Board will, from time to time, assess Common Charges against the Residential Unit Owners generally in proportion to their respective percentage interests in the Common Elements in order to pay the costs and expenses of operating, repairing, and maintaining the Common Elements.

In certain circumstances, a condominium management association may elect to be treated as a "homeowners association" within the meaning of Code Section 528(c) and, therefore, could elect to be exempt from Federal income tax on its exempt function income. In order for the Condominium Board to qualify to make such election, Code Section 528 requires, among other things, that substantially all of the Units in the Condominium be used by individuals for residences. The Treasury Regulations promulgated under Code Section 528 state that substantially all of the condominium units will be considered as used by individuals for residences if at least 85 percent of the total square footage of all the units within the project is used by individuals for residential purposes. As it is currently anticipated that less than 85 percent of the total square footage of all the Units in the Condominium will be used by

individuals for residential purposes, the Condominium Board will not be eligible to elect to be treated as a homeowners association.

Absent the application of Code Section 528, the present state of the law is uncertain as to the proper reporting and tax treatment of the income of the Condominium Board derived from Unit Owners ("membership income") and others ("nonmembership income") in excess of appropriate deductions and credits. It is possible that the Condominium Board could be viewed as an agent or conduit for Unit Owners, in which case each Residential Unit Owner would be required to report his or her proportionate share of nonmembership and possibly membership income (and the deductions attributable thereto) directly on his or her own tax return. Alternatively, the Internal Revenue Service may take the position that the Condominium Board should be treated as a separate entity. In that case, it is unclear whether the Condominium Board would be taxable as a corporation or treated as a partnership. If the Condominium Board is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax, the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium Board is treated as a partnership, the Unit Owners (but not the Condominium Board) would be subject to Federal and New York State income tax on the taxable income of the Condominium Board. In addition, in that instance the Condominium Board may be subject to the New York City Unincorporated Business Tax. In determining the taxable income of the Condominium Board, the Condominium Board's deductions attributable to furnishing services to Unit Owners may be limited to its membership income. Certain amounts expended for the benefit of Residential Unit Owners, and possibly rebates, if any, to Residential Unit Owners of excess membership dues, fees or assessments, may be treated as distributions to them.

We express no opinion concerning (a) any Federal, New York State or New York City tax consequences not explicitly discussed in this opinion, (b) any other aspects of the Plan other than those aspects explicitly discussed in this opinion, or (c) the tax status and tax consequences of the Plan under the laws of any other state, local or foreign jurisdiction. Except as explicitly provided, this opinion does not address (i) tax consequences which may result with respect to any Residential Units held in connection with a trade or business, or any Residential Units held for purposes of investment or for the production of income, (ii) tax consequences of the ownership of Residential Units by corporations or other entities, (iii) tax consequences which may result to a foreign Residential Unit Owner by reason of his or her foreign status or (iv) tax consequences which may result from the purchase of a Commercial Unit. This opinion also does not discuss the tax consequences which may arise if Units or Common Elements are acquired and/or leased by the Board or the issue of whether a Residential Unit Owner may be deemed to be a resident of the United States, New York State, or New York City as a result of the ownership of a Residential Unit and the attendant income, estate or other tax consequences. We advise, therefore, that each person contemplating the purchase of a Residential Unit consult his or her own tax advisor concerning all such tax matters, as well as with respect to the matters discussed in this opinion.

It should be noted that this opinion is based solely on the facts and documents referred to above and is not binding on the Internal Revenue Service, the New York State

Department of Taxation and Finance, or the New York City Department of Finance. Moreover, the Federal, New York State and New York City tax laws and regulations and the rulings and decisions thereunder may change and thereby affect the opinions stated above in whole or in part. We undertake no obligation to update, modify or supplement this opinion in the event of any such change in applicable law, although we have advised Sponsor that it is obligated to do so.

This opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will Sponsor, we, the Condominium Board, the Selling Agent, the Managing Agent or any other person be liable if there are changes in the facts on which we relied in issuing this opinion or if there are changes in the applicable statutes, regulations, rulings or decisions on which we relied which cause the Residential Unit Owners not to be entitled to the income tax deductions described above or which affect the tax treatment of the Condominium Board as described herein.

Internal Revenue Service Circular 230 Disclosure. This opinion was written to support the promotion or marketing of the sale of Residential Units. To ensure compliance with requirements imposed by the Internal Revenue Service, we are informing you that this opinion was not intended or written by us to be used, and cannot be used, by any taxpayer, including purchasers of Residential Units, for the purpose of avoiding tax-related penalties that may be imposed on the taxpayer under the Code. Purchasers of Residential Units should seek advice based on their particular circumstances from an independent tax advisor.

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,

Kramer Levin Naftalis & Frankel LLP

Kramer Levin Naftalis & Frankel LLP

OPINION OF SPONSOR'S 421-g COUNSEL REGARDING 421-g ELIGIBILITY

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September 19, 2006

40 Broad, LLC
c/o Zamir Equities
587 Fifth Avenue
New York, New York 10017

Re: Section 421-g and 421-a Tax Exemption Benefits
38-44 Broad Street
New York, New York
Block 24, Part of Lot 32 ("Project I")
Block 24, Part of Lot 32 ("Project II")

Ladies / Gentlemen:

We have been requested by 40 Broad LLC (the "Sponsor") to render our opinion as to the eligibility of the above referenced Project to receive partial real estate tax exemption and abatement benefits pursuant to Sections 421-g and 421-a of the Real Property Tax Law of the State of New York (the "421-g Statute" and "421-a Statute") and the New York City Department of Housing Preservation and Development rules (the "421-g Rules" and "421-a Rules") and the procedures for obtaining such benefits.

The Project currently is improved by a building containing twenty-four (24) stories, all of which were used for commercial purposes (the "Existing Building"). You have advised us that you intend to alter floors eight through twenty-four totaling approximately 152,827 square feet of Aggregate Floor Area, to create approximately 129 condominium Class A multiple dwelling units on these floors ("Eligible Multiple Dwelling") and six newly constructed floors containing approximately 52,095 square feet, containing approximately 38 additional condominium Class A multiple dwelling units on these floors. I will address the 8th- 24th floors' eligibility for 421-g benefits as "Project I" and the 25th - 30th floors' eligibility for 421-a benefits as "Project II." I will address Project I's eligibility first and the Project II's eligibility for 421-a benefits.

PROJECT I:

In order for Project I to be eligible for real estate tax benefits pursuant to the 421-g Statute and the 421-g Rules, the following major requirements will have to be satisfied:

1. **Eligible Multiple Dwelling.**

To be eligible for benefits under the 421-g Statute, a building must be an "eligible multiple dwelling", which is defined in Section 1(h) of the 421-g Statute as a Class A multiple dwelling, except a hotel, created from conversion of a non-residential building, provided, however, that such multiple dwelling is located within an eligible area, and provided further, however, that the aggregate area of the commercial, community facility and accessory use space within such multiple dwelling does not exceed 25% of the aggregate floor area of such multiple dwelling.

(A) **Class A Multiple Dwelling and Not a Hotel.** Upon completion of construction, the Eligible Multiple Dwelling will be a Class A multiple dwelling and no part thereof will be used as a hotel.

(B) **Created from Conversion of a Non-Residential Building.** Section 1(I) of the 421-g Statute defines "non-residential building" as a structure or portion of a structure having at least one floor, a roof and three walls enclosing all or most of the space used in connection with the structure or portion of the structure, which has a certificate of occupancy for commercial, manufacturing or other non-residential use for not less than 90% of the aggregate floor area of such structure or portion of the structure, or other proof of such non-residential use as is acceptable to the Department. Attached hereto and made a part hereof as **Exhibit A** is a copy of the Certificate of Occupancy # 88123 dated 1/13/86 for the Existing Building, indicating commercial use on all floors. The NYC Department of Finance, likewise has classified the subject property as Class 4. NYS Real Property Tax Law Section 1802(1) defines tax class 4 property as "all other real property which is not designated as class one, class two, or class three." (Class one is all one, two and three family residential real property. Class two is all other residential real property which is not designated as class one. Class three is utility real property.) Accordingly, upon completion of construction, the Eligible Multiple Dwelling will qualify as having been created from conversion of a non-residential building.

(C) **Eligible Area.** In order to be eligible for real estate tax exemption benefits under the 421-g Statute, a multiple dwelling must be located within an "eligible area". Section 1(g) of the 421-g Statute defines eligible area as, the area of Manhattan, south of Murray Street, beginning at the intersection of West Street and Murray Street; running easterly along the center line of Murray Street; connecting through

City Hall Park with the centerline of Frankfort Street and running easterly along the center lines of Frankfort and Dover Streets to the intersection of Dover Street and South Street; running southerly along the center line of South Street to Peter Minuit Plaza; connecting through Peter Minuit Plaza to the center line of State Street and running northwesterly along the centerline of State Street to the intersection of State Street and Battery Place; running westerly along the center line of Battery Place to the intersection of Battery Place and West Street; and running northerly along the center line of West Street to the to the intersection of West Street and Murray Street. The Existing Building is within the eligible area.

(D) **Limitation on Commercial, Community Facility and Accessory Use Space.** A project is eligible for benefits under the 421-g Statute if commercial, community facility, or accessory use space does not exceed 25% of the floor area of the Eligible Multiple Dwelling. Pursuant to Section 32-03(d)(2) of the Rules "in a non-residential building of 100,000 square feet or more of aggregate floor area containing a separately assessed non-residential parcel, the aggregate floor area of such separately assessed non-residential parcel shall not be considered in determining whether seventy-five percent (75%)...of the aggregate floor area of such non-residential building has been converted to an eligible multiple dwelling." The subject application covers the Eligible Multiple Dwelling, consisting of floors eight through twenty-four which are to be separately assessed from the balance of the Existing Building. More than 75% of the aggregate floor area of the Eligible Multiple Dwelling will be converted to residential use.

2. **Conversion Timing Requirements.**

(A) **Commencement of Construction No Later Than June 30, 2006.** Pursuant to the 421-g Statute, construction must commence no later than June 30, 2006. Pursuant to §1(e) of the 421-g Statute commencement of construction is defined as the date of issuance of a permit authorizing conversion, provided that such permit is issued by the Department of Buildings on or after July 1, 1995 and **NO LATER THAN JUNE 30, 2006**. The Sponsor has provided us with the attached Department of Buildings Alteration Permit issued June 28, 2006 authorizing the conversion (**Exhibit B**).

(B) **Completion of Conversion Requirement.** Section 32-03(c)(2) of the Rules contains timing requirements to the effect that, in a non-residential building, of more than 100,000 square feet of aggregate floor area, at least 75% of the aggregate floor area of such Eligible Multiple Dwelling, must take place within 5 years of commencement of construction ("Completion of Conversion"), as evidenced by a temporary or permanent certificate of occupancy, provided however that Completion of Conversion of at least 50% of the Aggregate Floor Area of the Eligible Multiple Dwelling must take place within three (3) years of the Commencement of Conversion. The Sponsor has advised us that it will

comply with the aforesaid timing requirements.

(C) **Application Deadline.** All applications for benefits under the 421-g Statute must be filed by the March 31st immediately following the first taxable status date following the completion of conversion. The Sponsor has advised us that it will comply with this requirement.

3. **Use of the Building.** The 421-g Statute requires that an eligible multiple dwelling be used or held out for dwelling purposes and cannot be used as a Hotel, and that annual certifications satisfactory to the Department confirming of such use be filed as required. The 421-g Rules consider the lease, sublease, license or any form of rental agreement for a period of less than six months to constitute an 'apartment hotel'. Condominium tax lots to be used as a Hotel will count as space which is ineligible for 421-g benefits. The Sponsor has represented to us that it will comply with these requirements.

4. **Rent Regulations.** Section 6 of the 421-g Statute requires that residential rental apartments be subject to rent stabilization or control for the duration of the 421-g benefits, subject to applicable exemption(s) therefrom. The apartment units in the Eligible Multiple Dwelling will be owned as condominium units. Therefore, this section is inapplicable.

5. **Full Payment of Impositions.** The 421-g Statute requires that all taxes, water charges and sewer rents due and owing on a property be fully paid or in the process of being paid in timely installments pursuant to written agreement with the Department of Finance or other appropriate agency. The Sponsor has represented to us that it will comply with this requirement.

6. **Eligibility of Applicant.** Section 13 of the 421-g Statute requires that the applicant either be obligated to pay real property taxes on the property for which benefits are sought, or be a tax exempt entity which owns or leases the property and has entered into an agreement to sell or lease such property to another person (and, in the latter case, the 421-g Statute requires that the lessee or contract vendee be a co-applicant for benefits). The Sponsor has represented to us that it will comply with this requirement.

7. **Eligibility of Parties with Ownership and Control.** Sections 11 and 12 of the 421-g Statute provide generally that benefits may be granted only if no person interested in the property has been found to have violated Real Property Law §235 (relating to the willful failure to supply utilities and building services) or Penal Law Article 150 or similar arson laws of another jurisdiction. The Sponsor has advised us that it shall be in compliance with this requirement.

Based upon the information which our client has provided to us, our client's assurance that they will comply with the requirements of the Rules, and the assumptions stated herein we believe that the Existing Building shall be eligible for real estate tax exemption and abatement benefits pursuant to the 421-g Statute and that the Existing Building will receive 12 year exemption from and 14 year abatement of real estate taxes pursuant to the 421-g Statute.

PROJECT II

The 421-a Statute and Rules set forth several major requirements for a project to be eligible to receive 421-a partial tax exemption benefits. They are:

1. **Geographic Exclusion Area & Parks Issues**

Under Sections 6-02(b)(1) and 6-02(c)(5) and (6) of the 421-a Rules, tax lots located in Manhattan outside the geographic exclusion area and not situated on land which was mapped as a public park or utilized for ten (10) or more consecutive years immediately prior to October 1, 1971 as a Private Park, may be eligible for 421-a benefits. Block: 24, Lot: 32 is located in Manhattan outside the geographic exclusion area and on land which was not mapped as a public park or a Private Park.

2, **New Multiple Dwelling**

Under Section 6-01(c) of the 421-a Rules, "commencement of construction" may take place pursuant to an alteration permit for the construction of a new multiple dwelling above, and on an entirely separate tax lot from, an existing structure or structures. Project II, consisting of newly constructed residential condominium tax lots consisting of all or part of (6) new to-be-constructed floors above Project I (floors 8-24), will contain more than three (3) new Class A dwelling units. As such, it will qualify as a new multiple dwelling.

3. **Not Used as a Hotel or for Single Room Occupancy**

Under Section 6-02(c)(3) and (4) of the 421-a Rules, any building or portion thereof used as a hotel or for single room occupancy will be ineligible for 421-a benefits. Sponsor has represented to us that no part of Project II or of the building will be used for hotel or single room occupancy.

4. **Site Eligibility**

Under Section 6-02(f)(1) of the 421-a Rules to be eligible for 421-a benefits, the land upon which an eligible project is located must have been vacant, predominantly vacant, under-utilized or improved with a non-conforming use on the operative date (defined as thirty-six months prior to the commencement of construction). Under Section 6-02(f)(3)(G)(b) of the 421-a Rules, land is 'under-utilized' if it is located in Manhattan below 110th Street and was improved on the Operative Date with a non-residential building or buildings whose actual assessed value was equal to or less than fifty percent (50%) of the actual assessed value of the land upon which the building or buildings were situated. According to the Certificate of Occupancy (**Exhibit A**) and as corroborated by the New York City Department of Finance Assessed Value History Screen Printout, on the 2002/2003 Operative Date (since construction commenced on June 28, 2006 pursuant to the Alteration Permit attached as **Exhibit B**), Block: 24, Lot: 32 was improved with

a tax class 4 (non-residential) building whose actual assessed building value was less than 50% of the actual assessed land value. Therefore, Project II, as a part of Block: 24, Lot:32, is site eligible for 421-a benefits.

5. **Room Count and Class A Unit Replacement**

Section 6-02(e)(2) of the 421-a Rules requires that multiple dwellings containing more than 100 dwelling units contain at least 10% of units with at least 4.5 rooms and at least 15% of units with at least 3.5 rooms. Sponsor has represented to us that Project II will contain fewer than 100 dwelling units. Section 6-02(e)(3) of the 421-a Rules requires that a project with more than twenty (20) apartments contain at least five (5) apartments for each Class A apartment in existence during the thirty (30) days prior to the commencement of construction. Sponsor has indicated to us, and as confirmed by the Certificate of Occupancy (**Exhibit A**), that no part of the non-residential building at Block: 24, Lot: 32 contained Class A apartments during the 30 day period prior to the issuance of the Alteration Permit (**Exhibit B**) on June 28, 2006.

6. **Community Board Notice, Condominium Plan Filings**

Under Section 6-03 of the 421-a Rules, a 421-a application for a project containing more than twenty (20) dwelling units must be filed with the community board in the district in which the project is located. Sponsor has represented that Project II may contain more than 20 dwelling units and that it will comply with this filing requirement. Section 6-05(d)(1)(iii) of the 421-a Rules requires that if a project is to be owned as a cooperative or a condominium, the applicant for 421-a benefit (Sponsor) must provide a statement that, if the prospective cooperative or condominium plan has not been declared effective for filing at a time fifteen months after the issuance of a final certificate of eligibility for 421-a benefits, the applicant (Sponsor) shall register these rental units with the New York State Division of Housing and Community Renewal no later than fifteen calendar days after such fifteen month period, or if the building is not occupied, an affidavit stating that the applicant (Sponsor) shall register all units as they become occupied. Sponsor has represented that it will comply with this requirement.

7. **Duration of Benefits**

Section 6-02(d)(2) of the Rules establishes that a ten (10) year post-construction 421-a partial tax exemption benefit is available for construction on tax lots in Manhattan outside the geographic exclusion area south of 110th Street if construction commences prior to December 31, 2007. Block: 24, Lot: 32 is located in Manhattan outside of the geographic exclusion area and south of 110th Street and construction commenced on June 28, 2006 (**Exhibit B**). Therefore, Project II will be eligible for a 10 year post-construction partial tax exemption under the 421-a program.

LIMITATIONS

This is an opinion, not a guaranty, that the Project will qualify for real estate tax benefits pursuant to Section 421-g and 421-a . No warranties are made that the laws and regulations upon which this opinion is based will not be amended or repealed. In no event will we be liable to any party if the Project fails to qualify for such real estate tax benefits for any reason, including but not limited to, changes to Section 421-g and/or 421-a or to the regulations issued thereunder or to the decisional law thereunder. This opinion is made only for the benefit of the addressee of this letter.

Very truly yours,
SEIDEN & SCHEIN, P.C.

By:_____
Jay G. Seiden

B Form 51 (Rev. 6/63)

THE CITY OF NEW YORK

DEPARTMENT OF BUILDINGS
CERTIFICATE OF OCCUPANCY

BOROUGH MANHATTAN DATE: JAN 13 1986 NO. [illegible]

This certificate supersedes C.O. No. 87839 ZONING DISTRICTS 515

THIS CERTIFIES that the new ~~erection~~ building ~~alteration~~ premises located at 34-40 New Street; a/k/a 40-44 Broad Street Block 24 Lot 32

CONFORMS SUBSTANTIALLY TO THE APPROVED PLANS AND SPECIFICATIONS AND TO THE REQUIREMENTS OF ALL APPLICABLE LAWS, RULES, AND REGULATIONS FOR THE USES AND OCCUPANCIES SPECIFIED HEREIN

PERMISSIBLE USE AND OCCUPANCY

STORY	LIVE LOAD LBS PER SQ FT	MAXIMUM NO OF PERSONS PERMITTED	ZONING DWELLING OR ROOMING UNITS	BUILDING CODE HOUSEHOLD UNITS OR ROOMS	ZONING USE GROUP	BUILDING CODE OCCUPANCY GROUP	DESCRIPTION OF USE
Cellar	0.0.	100			6	D-2	Boiler Room
					6	D-2	Meter Rooms
					6	D-2	Pump Rooms
					6	B-2	Storage
					6	E	Offices
1st Floor	50	300			6	C	Retail Stores
					6	E	Lobby, Offices
2nd Floor	50	138			6	E	Offices
3rd Floor	50	138			6	E	Offices
4th-6th Floor each	50	138			6	E	Offices
7th-11th Floor each	50	120			6	E	Offices
12th-20th Floor each	50	88			6	E	Offices
21st-23rd Floor each	50	60			6	E	Offices
24th Floor	50	50			6	E	Offices
Roof	100				6	D-2	Mechanical Equipment Roo
			Commercial				

OPEN SPACE USES _____
(SPECIFY—PARKING SPACES, LOADING BERTHS, OTHER USES, NONE)

NO CHANGES OF USE OR OCCUPANCY SHALL BE MADE UNLESS A NEW AMENDED CERTIFICATE OF OCCUPANCY IS OBTAINED

THIS CERTIFICATE OF OCCUPANCY IS ISSUED SUBJECT TO FURTHER LIMITATIONS, CONDITIONS AND SPECIFICATIONS NOTED ON THE REVERSE SIDE.

BOROUGH SUPERINTENDENT COMMISSIONER

☒ ORIGINAL ☐ OFFICE COPY-DEPARTMENT OF BUILDINGS ☐ CO

B Form 54 (Back) (Rev. 8/52)

THAT THE ZONING LOT ON WHICH THE PREMISES IS LOCATED IS BOUNDED AS FOLLOWS:

BEGINNING at a point on the West side of Broad Street
distant 68'-1" South from the corner formed by the intersection of
Exchange Place and Broad Street

running thence South 40'-5", 41'-5" feet; thence West 82'-5", 2'-3 1/4" feet;
thence north 12'-10" feet; thence east 106'-7", 44'-2" feet;
thence ..... feet; thence ..... feet;
thence ..... feet; thence ..... feet;
to the point or place of beginning.

N.B. BOROUGH No. 31/81 DATE OF COMPLETION 11-[illegible]-85 CONSTRUCTION CLASSIFICATION 1A
BUILDING OCCUPANCY GROUP CLASSIFICATION : HEIGHT 24 STORIES 285' FEET

THE FOLLOWING FIRE DETECTION AND EXTINGUISHING SYSTEMS ARE REQUIRED AND WERE INSTALLED IN COMPLIANCE WITH APPLICABLE LAWS.

	YES	NO		YES	NO
STANDPIPE SYSTEM	X		AUTOMATIC SPRINKLER SYSTEM	X	
YARD HYDRANT SYSTEM					
STANDPIPE FIRE TELEPHONE AND SIGNALLING SYSTEM	X				
SMOKE DETECTOR	X				
FIRE ALARM AND SIGNAL SYSTEM					

STORM DRAINAGE DISCHARGES INTO:
A) STORM SEWER ☐ B) COMBINED SEWER ☐ C) PRIVATE SEWAGE DISPOSAL SYSTEM ☐

SANITARY DRAINAGE DISCHARGES INTO:
A) SANITARY SEWER ☐ B) COMBINED SEWER ☐ C) PRIVATE SEWAGE DISPOSAL SYSTEM ☐

LIMITATIONS OR RESTRICTIONS:
BOARD OF STANDARDS AND APPEALS CAL. NO. _____
CITY PLANNING COMMISSION CAL. NO. _____
OTHERS:

NYC BUILDINGS

Work Permit Department of Buildings

Permit Number: *104305057-01-AL* **Issued:** *06/28/2006* **Expires:** *03/29/2007*

Address: *MANHATTAN 40 BROAD STREET*

Description of Work:

ALT1 - VERTICAL ENLARGEMENT AND CONVERT 8TH THRU 24TH FLOORS TO CLASS "A" APAR AS PER PLANS FILED.

For detailed information regarding this permit, please log on to BISWeb at www.nyc.gov/buildings

Emergency Telephone Day or Night: 311

Borough Commissioner: Christopher M Santulli Acting Borough Commissioner **Commissioner of Buildings:**

Tampering with or knowingly making a false entry in or falsely altering this permit is a crime that is punishable by a fine, imprisonment or both.

OP-35A (2/05)

The City of New York

DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
SHAUN DONOVAN, Commissioner

Office of Development
DIVISION OF HOUSING INCENTIVES
100 GOLD STREET, NEW YORK, N.Y. 10038

RAFAEL E. CESTERO, Deputy Commissioner
MIRIAM COLÓN, Assistant Commissioner

September 20, 2006

Jay G. Seiden, Esq.
Seiden & Schein, P.C.
570 Lexington Avenue
New York, NY 10022
Phone: (212) 935-1400; Fax: (212) 593-4545

Re: 38-44 Broad Street
Block 24, Lot 32
Borough of Manhattan
Declaratory Ruling No. 1683 (§421-g/§421-a)

Dear Mr. Seiden:

I am writing in response to your request dated November 7, 2005, as supplemented by later submissions, for a declaratory ruling regarding the eligibility of a conversion and construction project (the "Project") at the above referenced site (the "Site") for tax benefits pursuant to §421-a and §421-g of the Real Property Tax Law ("§421-a" and "§421-g," respectively). Declaratory rulings are provided pursuant to §6-05(g) of Chapter 6 of Title 28 of the Rules of the City of New York (the "§421-a Rules") and §32-03(e)(2) of Chapter 32 of Title 28 of the Rules of the City of New York (the "§421-g Rules"). Capitalized terms not defined herein have the respective meanings given in the §421-a and the §421-g Rules.

As described in your submissions, the Project involves (1) retrofitting of floors one through seven of the existing twenty-four (24) story commercial building, which have applied for real estate tax benefits pursuant to the Industrial and Commercial Incentive Program ("ICIP") ("ICIP Lots"),[1] (2) conversion of floors eight through twenty-four of the existing building into one hundred sixty-seven (167) individual condominium Class A dwelling units ("Conversion Lots"), and (3) construction of six (6) new floors of individual condominium Class A dwelling units above the existing building ("New Construction Lots").

[1] You indicate that the one of the lower floors may be included in the §421-g application and that the ICIP application would be amended accordingly.

9/20/06

The Conversion Lots will be on tax lots separate and apart from the New Construction Lots and the ICIP Lots and will seek to obtain §421-g benefits. The New Construction Lots will be on tax lots separate and apart from the Conversion Lots and the ICIP Lots and will seek to obtain §421-a tax benefits.

Eligibility of the Conversion Lots for Tax Benefits Pursuant to §421-g

I. Eligibility Requirements

To be eligible for §421-g tax benefits, the Conversion Lots must comply with each of the eligibility criteria set forth in §421-g and the §421-g Rules. The application of these requirements to Conversion Lots is discussed in detail below.

A. Eligible Multiple Dwelling

A project must qualify as an Eligible Multiple Dwelling to be eligible for §421-g tax benefits. Section 32-02 of the §421-g Rules defines an Eligible Multiple Dwelling as:

> a Class A multiple dwelling, except a Hotel, created from conversion of a Non-Residential Building, provided, however, that such multiple dwelling is located within the Eligible Area, and provided further, however, that the Aggregate Floor Area of Commercial, Community Facility and Accessory Use Space within such multiple dwelling does not exceed twenty-five per cent (25%) of the Aggregate Floor Area of such multiple dwelling.

The application of each requirement of this definition to the Conversion Lots is discussed below.

1. Class A Multiple Dwelling, and Not a Hotel

The first element in the definition of an Eligible Multiple Dwelling is that it must be a Class A Multiple Dwelling and not be a Hotel.

You state that, after conversion, the Conversion Lots will be Class A Multiple Dwellings and will not be used as Hotels. We assume that the plans approved by the Department of Buildings and the certificates of occupancy issued by the Department of Buildings submitted with the application after conversion will substantiate this assertion. Accordingly, the Conversion Lots will meet this requirement.

9/20/06

2. Created from Conversion of a Non-Residential Building

The second element in the definition of an Eligible Multiple Dwelling is that it must be created from conversion of a Non-Residential Building. Section 32-02 of the Rules, following §421-g(1)(i), defines a Non-Residential Building as:

> a structure or portion of a structure having at least one floor, a roof and at least three walls enclosing all or most of the space used in connection with the structure or portion of the structure, and which has a Certificate of Occupancy for commercial, manufacturing or other non-residential use for not less than ninety per percent (90%) of the Aggregate Floor Area of such structure or portion of such structure, or other proof of such non-residential use as is acceptable to the Department.

You indicate that the existing building is designated for non-residential use. You have submitted a copy of certificate of occupancy number 88123, issued by the Department of Buildings on January 13, 1986, which lists the permitted use of the eighth through twenty-fourth floors of the existing building as offices.[2] In addition, you have submitted a certified copy of Department of Finance records showing that lot 32 was improved with a non-residential building designated as tax class 4 for fiscal years 1982/1983 through 2005/2006.[3] Accordingly, the Conversion Lots will qualify as having been created from the conversion of a Non-Residential Building.

3. Eligible Area

The third element in the definition of an Eligible Multiple Dwelling is that it must be located within the Eligible Area. Section 32-02 of the §421-g Rules establishes the Eligible Area generally as the area of Manhattan south of Murray Street, City Hall Park and Frankfort Street, with limited exceptions. The Conversion Lots are located within the Eligible Area.

4. Limitation on Commercial, Community Facility and Accessory Use Space

The fourth element in the definition of an Eligible Multiple Dwelling imposes a cap on the total Floor Area of Commercial, Community Facility and Accessory Use Space within such Eligible Multiple Dwelling of twenty-five per cent (25%) of the Aggregate Floor Area, as further provided in §32-03(d) of the Rules. In addition, §32-03(d)(3)(i) of the Rules provides that the

[2] Permitted uses in the rest of the existing building include offices and storage in the cellar, retail stores and offices on the first floor, and offices on the remaining floors.

[3] Fiscal year refers to the 365 day New York City year for budget and tax purposes from July 1 through June 30. For example, both September 27, 2005 and February 25, 2006 fall in fiscal year 2005/2006.

benefits provided pursuant to §421-g will be proportionately reduced if the Floor Area of Commercial, Community Facility And Accessory Use Space exceeds twelve per cent (12%) of the Aggregate Floor Area.

Section 32-03(d)(iii) of the §421-g Rules provides that the Aggregate Floor Area of any separately assessed non-residential parcel shall not be considered in calculating the Aggregate Floor Area of Commercial, Community Facility and Accessory Use Space. Therefore, any non-residential space in a separate tax lot, including tax lots receiving ICIP benefits, will not be considered for the purpose of computing either (i) Aggregate Floor Area or (ii) the Floor Area of Commercial, Community Facilities, and Accessory Use Space allowed pursuant to §32-03(d) of the §421-g Rules.

You state and we assume that the Conversion Lots after conversion will not exceed the twenty-five per cent (25%) limit for commercial and other non-residential space. However, the amount of Floor Area of Commercial, Community Facility or Accessory Use Space, and the resultant reduction, if any, in §421-g tax benefits, will be determined by the Office after conversion based on the plans approved by the Department of Buildings for the Conversion Lots as built.

B. Conversion Timing Requirements

1. Permit Date

The definition of Commencement of Conversion in subdivision (1)(e) of §421-g, as amended, provides that the building permit for the conversion must have been issued by the Department of Buildings on or after July 1, 1995 and no later than June 30, 2006. You state and we assume that the Conversion Lots will comply with this requirement.

2. Completion of Conversion Requirement

Section 32-03(c) of the §421-g Rules sets forth timing requirements for the Completion of Conversion. Paragraph (1) of this section states that projects with less than 100,000 square feet of Aggregate Floor Area must receive a Temporary or permanent Certificate of Occupancy for at least seventy-five per cent (75%) of the Aggregate Floor Area within three years of the Commencement of Construction. Paragraph (2) of this section states that projects with over 100,000 square feet of Aggregate Floor Area must receive a Temporary or permanent Certificate of Occupancy for over seventy-five per cent (75%) of the Aggregate Floor Area within five years of the Commencement of Conversion, provided, however, proof of partial Completion of Conversion of at least fifty per cent (50%) of the Aggregate Floor Area of the building within three years of the Commencement of Conversion is submitted with the application.

You state and we assume that the Conversion Lots will be timely completed in accordance with these requirements.

3. Application Deadline

Section 32-04(a)(1) of the §421-g Rules provides that all applications for §421-g benefits must be received by the close of business on the March 31st immediately following the first taxable status date following the Completion of Conversion. You state and we assume that the application for the Conversion Lots will be timely filed.

C. Use of the Building

Section 32-04(b)(1) and (2) of the §421-g Rules provides that exemption and abatement pursuant to §421-g is available as long as the Eligible Multiple Dwelling is used or held out for use for dwelling purposes. Section 32-06(a)(1) and (2) of the Rules requires that the Recipient of §421-g tax benefits shall file annually for the duration of the Benefit Period a certificate of continuing use to establish continuing eligibility for such benefits.

You state and we assume that the Conversion Lots will be used or held out for use for dwelling purposes and that annual certifications satisfactory to HPD confirming such use will be filed as required.

D. Rent Regulation Requirement

Section 32-05 of the §421-g Rules requires that residential rental units be subjected to rent stabilization or control for the entire Benefit Period. Accordingly, you will be obligated to subject the residential units in the building to rent regulation unless they are exempted. You state and we assume that the Conversion Lots will be owned as condominiums. Therefore, the Conversion Lots will be exempt from this requirement.

E. Full Payment of Impositions

Section 32-03(a)(7) of the §421-g Rules requires that the applicant provide proof that all taxes, water charges and sewer rents due and owing on a property are fully paid or are being paid in timely installments pursuant to a written agreement with the Department of Finance or other appropriate agency. You state and we assume that the Applicant will comply with this condition.

F. Qualified Applicant

Section 32-03(b)(1) of the §421-g Rules requires that a qualified applicant (i) be obligated to pay real property taxes on the property for which benefits are sought whether such obligation arises because of record ownership or because the obligation has been assumed by contract or (ii) be a tax exempt entity which owns or leases the property and has entered into an agreement to sell or lease such property to another person. In the case of the latter, §32-03(b)(2)

9/20/06

requires that the lessee or contract vendee be a co-applicant for benefits. You state and we assume that the Applicant will comply with this requirement.

G. Eligibility of Parties with Ownership and Control

Section 32-03(a)(8) of the 421-g Rules provides generally that §421-g tax benefits may only be granted if the applicant furnishes a signed affidavit attesting to the fact that no person with ownership of more than ten per cent (10%) in the property has been found to have violated Real Property Law §235 (relating to harassment and the willful failure to supply utilities and building services) or Penal Law Article 150 or any similar arson law of another jurisdiction. You state and we assume that this requirement will be satisfied.

II. Benefit Period

Section 32-04(b)(1) and (2) provides that §421-g tax benefits consist of a 12-year exemption from and 14-year abatement of real estate taxes for eligible projects which are not designated as a Landmark. Projects designated a Landmark prior to Completion of Conversion receive an additional year of tax exemption and abatement. A Landmark is defined in §32-02 of the Rules as a structure designated a landmark or in a historic district designated by the New York City Landmarks Preservation Commission.

We assume that the portion of the existing building that will contain the Conversion Lots has not been designated a Landmark, and we therefore conclude that the 12- and 14- year benefit periods described above will apply.

III. Conclusion

Based on the information provided by you and the assumptions stated herein, we conclude that the Conversion Lots will be eligible for §421-g tax benefits for the periods indicated above.

Eligibility of the New Construction Projects for Tax Benefits Pursuant to §421-a

I. Eligibility Requirements

To be eligible for §421-a tax benefits, the New Construction Lots must comply with each of the eligibility requirements set forth in §421-a, §11-245 and §11-245.1 of the Administrative Code ("§11-245"), and the §421-a Rules. The application of these requirements to the New Construction Lots is discussed in detail below.

9/20/06

A. Location Requirements

1. Geographic Exclusion Area Limitation

Sections 6-02(b)(2) and 6-02(c)(10) of the §421-a Rules provide that a project in the Geographic Exclusion Area is eligible for §421-a tax benefits only if carried out with Substantial Governmental Assistance or if Affordable Units are created in accordance with the requirements of §6-08 of the Rules.

The New Construction Lots are not located in the Geographic Exclusion Area and, therefore, are not subject to these limitations.

2. Public and Private Park Limitation

Paragraphs (5) and (6) of §6-02(c) of the §421-a Rules bar §421-a benefits for projects situated on land mapped as a public park (with certain exceptions) or utilized for ten (10) or more consecutive years immediately prior to October 1, 1971 as a private park (as defined in §6-02(c)(6) of the Rules). You state and we assume that the Site does not fall within either category.

B. Site Requirements

Section 6-02(f) of the §421-a Rules states that for a project to be eligible for §421-a benefits, the land on which it is located must have been "vacant, predominantly vacant, under-utilized, or improved with a non-conforming use on the operative date." "Operative Date" means, in the case of the New Construction Lots, thirty-six (36) months prior to the Commencement of Construction.

Under §6-02(f)(3)(G)(b) of the §421-a Rules, where Commencement of Construction occurred on or after October 30, 2002, land in Manhattan south of or adjacent to either side of 110th Street is under-utilized if, on the Operative Date, it was improved with a non-residential building or buildings each of which had an Actual Assessed Valuation equal to or less than fifty percent (50%) of the Actual Assessed Valuation of the land on which the building or buildings were situated.

You indicate that the Commencement of Construction on the New Construction Lots commenced on June 28, 2006 in the 2005/2006 fiscal year. Accordingly, the Operative Date will have occurred in the 2002/2003 fiscal year.

You have submitted a certified printout of Department of Finance records showing that lot 32 was improved with a non-residential building designated as tax class 4, and the Actual Assessed Valuation of the land and the improvements on lot 32 in the 2002/2003 fiscal year was as follows:

Lot Number	Land Actual Assessed Valuation	Building Actual Assessed Valuation	Ratio of Building to Land Actual Assessed Valuation
32	$10,800,000	$3,375,000	31.3%

On the Operative Date, the lot was improved with a non-residential building whose Actual Assessed Valuation was fifty percent (50%) or less of the Actual Assessed Valuation of the land on which the non-residential building was situated. Accordingly, the Site containing the New Construction Lots qualifies as under-utilized for the purposes of the §421-a Rules.

C. Project Requirements

1. New Multiple Dwelling

Section 6-02(b) of the §421-a Rules provides that a project is eligible for §421-a benefits only if it is a "new multiple dwelling." Section 6-02(c)(2) states that Multiple Dwellings resulting from the conversion or rehabilitation of a building or structure are ineligible for benefits, and §6-01 of the §421-a Rules (in the definition of "Commencement of Construction") provides that:

> construction shall not commence prior to issuance by the Department of Buildings of either (i) a building or alteration permit for the construction of an entirely new multiple dwelling, the footprint of which consisted entirely of vacant and unimproved land upon such date, or (ii) an alteration permit for the construction of a new multiple dwelling above, and on an entirely separate tax lot from, one or more existing structures which are to be retained, provided that only the floor area attributable to the new multiple dwelling, and any eligible commercial, community facility or accessory use space within such new structure shall be eligible for benefits under the Act.

You state and we assume that the New Construction Lots will be carried out pursuant to an alteration permit for construction of a new Multiple Dwelling above and on entirely separate tax lots from an existing structure which is to be retained. We assume that upon application you will provide photographs and other documentation as evidence that floors twenty-five through thirty were newly constructed. Accordingly, the New Construction Lots will meet the requirements set forth above.

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2. Not Used as a Hotel or for Single Room Occupancy

Paragraphs (3) and (4) of §6-02(c) of the §421-a Rules deem any building or portion thereof which is used as a Hotel or for Single Room Occupancy ineligible for §421-a benefits. You state and we assume that no such use of the New Construction Lots will occur.

D. Construction Requirements

1. Number of Rooms

Section 6-02(e)(2) of the §421-a Rules requires that in a project containing more than one hundred (100) dwelling units, not less than ten percent (10%) of the dwelling units shall contain at least 4½ rooms and, in addition, not less than fifteen percent (15%) of the dwelling units shall contain at least 3½ rooms. The number of rooms shall be computed in accordance with the definition of "Room Count" in §6-01(c) of the §421-a Rules.

You state and we assume that the New Construction Lots will contain fewer than one hundred (100) dwelling units. Accordingly, the New Construction Lots are not subject to this requirement.

2. Class A Unit Replacement

Section 6-02(e)(3) of the §421-a Rules requires that a project with more than twenty (20) dwelling units contain at least five (5) dwelling units for each Class A dwelling unit in existence one month prior to the Commencement of Construction.

Because the Site contained no Class A dwelling units during the specified period, the New Construction Lots are not subject to this requirement.

E. Limitation on Other Real Estate Tax Benefits

Section 421-a(2)(c)(i) provides that a Multiple Dwelling shall be eligible for tax benefits pursuant to that section only if "exemption from taxes is not availed of concurrently under any other law." Section 6-02(c)(1) of the §421-a Rules provides a limited exception for condominium units which are not taxed by reason of the exempt status of the owner.

We assume that the New Construction Lots will not receive real estate tax benefits under any other State or local law. You state that floors one through seven of the Project have applied for tax benefits pursuant to ICIP and that floors eight through twenty-four will apply for tax benefits pursuant to §421-g. We assume that any ICIP and §421-g benefits will not apply to the portion of the Project that is the subject of the §421-a application. We further assume that the separately assessed spaces that form the ICIP Lots and the Conversion Lots will not be a part of

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the §421-a application and will not be considered for the purpose of computing either (i) Aggregate Floor Area or (ii) the Commercial, Community Facilities, and Accessory Use Space allowed pursuant to §6-06(b) of the §421-a Rules. Accordingly, the receipt of ICIP and §421-g benefits for the ICIP Lots and the Conversion Lots, respectively, would not render the New Construction Lots ineligible for §421-a benefits.

F. Timing Requirements

1. Project Commencement

Sections 6-02(b)(1) and 6-02(b)(3) of the §421-a Rules require that Commencement of Construction occur before December 31, 2007. You state and we assume that Commencement of Construction of the New Construction Lots occurred on June 28, 2006. Accordingly, the New Construction Lots have complied with this requirement.

2. Application Timing

Sections 6-05(b) and 6-05(d) of the §421-a Rules impose specific timing requirements for filing applications for preliminary and final certificates of eligibility. You state and we assume that the New Construction Lots will comply with these requirements.

G. Condominium/Cooperative Requirement

Section 6-05(d)(1)(iii) of the §421-a Rules requires that if a project is to be owned as a cooperative or a condominium, the owner must provide a statement that if the prospective cooperative or condominium plan has not been declared effective for filing at a time fifteen months after the issuance of a final certificate of eligibility, such owner will register these rental units with the New York State Division of Housing and Community Renewal within fifteen days after such fifteen month period, or if the building is not occupied, an affidavit stating that the owner shall register all units as they become occupied. You state and we assume that the New Construction Lots will be owned as condominiums and we assume that it will comply with this requirement.

H. Community Board Notice Requirement

Section 6-03 of the §421-a Rules requires that a §421-a application for a project containing more than twenty (20) dwelling units be submitted to the community board in the area in which the New Construction Lots are located. You state and we assume that the New Construction Lots will comply with this notice requirement.

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I. Rent Limitations

Section 6-04 of the §421-a Rules imposes a cap on the initial monthly rent which may be charged in a project receiving §421-a benefits. You state and we assume that the residential units will be owned as condominiums. Therefore, this rental cap requirement will not pertain to the New Construction Lots provided that the condominium plan is declared effective for filing within fifteen months after the issuance of a final certificate of eligibility.

II. Duration of Tax Benefits

Section 6-02(d) of the §421-a Rules establishes the duration of the §421-a partial tax exemption.

Section 6-02(d)(2) of the §421-a Rules states that a ten (10) year post-construction exemption (as more particularly described therein) is available to buildings located outside the Geographic Exclusion Area but in Manhattan on tax lots south of or adjacent to either side of 110th Street.

Since the New Construction Lots are located in Manhattan outside of the Geographic Exclusion Area but south of 110th Street, the New Construction Lots will be eligible for a ten (10) year post-construction partial tax exemption pursuant to §6-02(d)(2) of the §421-a Rules.

III. Reduction of Benefit for Excess Commercial, Community Facilities, and Accessory Use Space

Section 6-06(b) of the §421-a Rules provides that the tax exemption granted by §421-a will be reduced if the project's Floor Area of Commercial, Community Facilities, and Accessory Use Space exceeds twelve percent (12%) of Aggregate Floor Area.

The New Construction Lots' Floor Area of Commercial, Community Facilities, and Accessory Use Space and a resulting decrease in benefits, if any, will be determined in accordance with the §421-a Rules based on the building plans for the New Construction Lots as built. See also, discussion above at pp. 9-10, paragraph I.E.

IV. Conclusion

Based on the information provided by you and the assumptions stated herein, we conclude that the New Construction Lots will be eligible for a construction period partial tax exemption and a ten (10) year post-construction partial tax exemption, as provided by §421-a.

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HPD
nyc.gov/hpd

V. Scope of this Letter

Except as specifically stated herein, this letter is based solely upon the information provided by you and the assumptions stated herein, and we have not verified any of your statements or claims or investigated the accuracy of our assumptions. The Project, including the Conversion Lots and the New Construction Lots, must satisfy all statutory and regulatory requirements of §421-g and §421-a in effect at the time of issuance of the certificates of eligibility in order to be eligible for benefits. This Office cannot render a final determination regarding eligibility, nor will this letter be binding upon HPD in the granting of benefits, until all documentation required for a Certificate of Eligibility has been provided to us, reviewed and approved.

This letter relates only to the Project and the specific facts and circumstances thereof. It may not be used or relied upon in connection with any other application or project.

Each page of this letter is imprinted with the Tax Incentives raised seal, which is initialed and dated in blue ink.

In order to expedite processing, please include a copy of this letter when you apply for §421-g and §421-a benefits for the Project.

Very truly yours,

Lisa S.J. Yee,
Director, Tax Incentive Programs

cc: Nancy Batterman, Deputy General Counsel
Margot Algase Sklar, Associate Deputy Director
Christopher Boltinghouse, Declaratory Rulings Analyst
Ronald Sinacori, 421 Director

9/20/06

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September 20, 2006

40 Broad LLC
c/o Zamir Equities
587 Fifth Avenue, 7th Floor
New York, NY 10016

Re: THE SETAI CONDOMINIUM RESIDENCES AT
40 BROAD STREET
40 Broad Street
Manhattan: Block 24, Lot 32

Gentlemen:

You have requested that we provide you with an estimate of the real estate tax assessment on the residential condominium units to be created from the partial conversion of, and addition to, the 40 Broad Street property.

You have also requested an estimate of the real estate taxes that would be applicable to the residential condominium units upon completion of the project, without regard to any potential tax exemption or abatement benefits, as well as an estimate of real estate taxes assuming the property's eligibility for tax benefits pursuant to sections 421-g and 421-a of the New York Real Property Tax Law.

You have advised us that you are the fee owner of certain real property located at 40 Broad Street, New York, New York and designated as Block 24, Lot 32 on the Official Tax Map of the City of New York. According to New York City Department of Finance records, the property consists of a land area of 15,984 square feet. You have advised us that the property is currently improved by a 24-story, 266,950 square-foot (gross, above grade), tax "class 4," commercial office building.

You have advised us that you are in the process of: 1) demolishing 24,960 square feet of existing space on floors 8 through 20; 2) adding a total of 2,931 square feet to floors 21 through 24; 3) renovating and converting floors 8 through 24 to residential use; and 4) constructing six (6) additional floors of new residential space consisting of 52,095 square feet (gross) above the existing structure.

You have advised us that you intend to apportion the resulting floors 8 through 24 into a residential condominium consisting of 129 units and 150,885 square feet and floors 25

through 30 into a residential condominium consisting of 38 units and 52,095 square feet. You have further advised us that portions of the basement and 1st floor and floors 2 through 7 will be separate commercial space comprised of the following: 1) basement parking consisting of 6,500 square feet; 2) ground level retail space consisting of 6,061 square feet; 3) a 2nd floor club consisting of 16,255 square feet with a restaurant, library, catering and meeting rooms; 4) 3rd floor spa consisting of 17,012 square feet with Jacuzzi and treatment rooms; and 5) 65,844 square feet of office space located on floors 4 through 7.

You have informed us that you started construction during June, 2006 and anticipate completing construction in December, 2007. You have further advised us that, notwithstanding ongoing construction, the first fiscal year of condominium operation will be from July 1, 2007 through June 30, 2008.

Although the setting of an assessment on any particular property is subject to an individual assessor's subjective determination based upon general assessment guidelines, it is possible to estimate an approximate assessed value based upon a number of factors. These factors include actual construction costs, the property's location, a hypothetical economic analysis of the condominium as if it were a rental property (as required pursuant to section 581 of the New York Real Property Tax Law), assessed valuations of comparable buildings and New York City Department of Finance Assessment Guidelines. We have examined these factors in arriving at our estimates.

The assessment history of the 40 Broad Street property is as follows:

			Land	Total
Final	2006/07	Actual	$9,270,000	$15,615,000
		Transitional	$9,882,000	$14,818,000
Final	2005/06	Actual	$9,270,000	$15,480,000
		Transitional	$9,828,000	$14,494,000
Final	2004/05	Actual	$9,270,000	$14,900,000
		Transitional	$9,972,000	$14,080,000

New York City is an annual assessing jurisdiction and is required to assess property for each upcoming fiscal tax year (July 1 – June 30) based upon its use and condition on January 5th (taxable status date). Annual increases or decreases in assessed value resulting from construction, demolition or other physical changes to the property (i.e., "physical" or "alteration" increases) are taxable the year they are levied. For "class 4" commercial properties, and "class 2" residential properties having more than 10 units, annual assessment increases or decreases not resulting from physical changes (i.e.,

"equalization" changes) are phased in for tax purposes over a five (5) year period at 20% per year. Hence, two assessed values: 1) the "actual assessment," which is reflective of the City's claimed market value; and 2) the "transitional assessment," which is based on physical increases and the 5-year phase in of equalization changes. Real property taxes in any given year are based on the lesser of the actual or transitional assessment.

As of January 5, 2007, which will be the first taxable status date following the start of construction and conversion and the basis for the property's 2007/08 assessed value, you have advised us that the project will be approximately 25% complete. Given the property's condition and use as of the taxable status date, we estimate the property's 2007/08 assessed values to be as follows:

Actual . . .	$ 17,935,000
Transitional . . .	$ 17,426,000

Of the total estimated assessed value, we further estimate that the values attributable to the various commercial and residential portions of the property for 2007/08 will be as follows:

	Actual	Transitional
Residential Space:		
Floors 8-24 . . .	$ 8,422,000	$ 8,089,000
Floors 25-30 . . .	3,308,000	3,308,000
Commercial Space:		
Basement parking . . .	$ 250,000	$ 243,000
1st floor retail . . .	800,000	778,000
2nd floor club . . .	1,015,000	987,000
3rd floor spa . . .	690,000	670,000
4th –7th floor office space . . .	3,450,000	3,350,000

The most recent tax rates available as of the date of this letter are those passed by the City Council for the fiscal 2005/06 tax year. Assuming that separate tax lots are created and that the residential portion is reclassified for tax purposes as residential tax "class 2" and utilizing the tax rates of 12.396% and 11.306% (i.e., the fiscal 2005/06 "class 2" and "class 4" tax rates), based on the projected 2007/08 taxable assessments (i.e., the lesser of the estimated actual or transitional land assessed value), we estimate the property's total real estate taxes for the fiscal year July 1, 2007 through June 30, 2008 (exclusive of any potential tax exemption benefits) to be in the approximate amount of $2,094,700.

Based upon the forgoing projected assessed values, we estimate that the property's 2007/08 real property taxes would be attributable to the various commercial and

residential portions as follows:

Residential Space:	
Floors 8-24 . . .	$1,003,000
Floors 25-30 . . .	410,000
Commercial Space:	
Basement parking . . .	$ 27,500
1st floor retail . . .	88,000
2nd floor club . . .	111,600
3rd floor spa . . .	75,800
4th –7th floor office space . . .	378,800

You have advised us that until the property is apportioned into separately assessed condominium units, each unit owner will pay to the Board of Managers his or her share of the property's real estate taxes. You have further advised us that this apportionment shall be made by first allocating the property's real estate taxes among the various unit classifications (i.e., residential, commercial, etc.) on a square footage basis. The share of property taxes so allocated will then be apportioned to each individual unit based on that unit's initial offing price relative to the total offering price for all residential or commercial units (as the case may be) as set forth in the Offering Plan.

The first taxable status date subsequent to the anticipated completion of construction and conversion will be January 5, 2008, which will be the basis for the property's 2008/09 assessed value. Our estimates of the post-conversion assessed values for the residential and commercial portions of the property for the 2008/09 tax year are as follows:

	Actual	Transitional
Residential Space:		
Floors 8-24 . . .	$11,550,000	$ 11,428,000
Floors 25-30 . . .	6,250,000	6,250,000
Commercial Space:		
Basement parking . . .	$ 250,000	$ 248,000
1st floor retail . . .	800,000	795,000
2nd floor club . . .	1,550,000	1,540,000
3rd floor spa . . .	1,050,000	1,043,000
4th –7th floor office space . . .	3,450,000	3,426,000

We assume that the residential units will be classified in tax "class 2" and the commercial units sill be designated as tax "class 4." Assuming a "class 2" tax rate of 12.396% and a "class 4" tax rate of 11.306% (i.e., the fiscal 2005/06 tax rates), based on the projected

taxable 2008/09 assessed values set forth above (i.e., the lesser of the estimated actual or transitional assessed values), we estimate that the gross real estate taxes (exclusive of any potential tax exemption benefits) due for the fiscal year July 1, 2008 through June 30, 2009 will be as follows:

Residential Space:	
Floors 8-24 . . .	$1,417,000
Floors 25-30 . . .	775,000
Commercial Space:	
Basement parking . . .	$ 29,000
1st floor retail . . .	90,000
2nd floor club . . .	175,000
3rd floor spa . . .	118,000
4th –7th floor office space . . .	388,000

You have advised us that you intend to apply for real property tax exemption and abatement benefits available to eligible non-residential properties in downtown Manhattan that are converted to residential use pursuant to section 421-g of the New York Real Property Tax Law on behalf of the residential condominium units to be created on floors 8 through 24.

For non-landmark properties converted to residential use under the 421-g Program, the increase in assessed value attributable exclusively to the property's physical improvement (i.e., "physical" or "alteration" increase) is exempted from real property taxation (other than special assessments for local improvements) for the first year following the start of construction and for a period of twelve (12) years following completion of conversion. In this regard, 100% of the physical increase is exempted during the first construction year and years one (1) through eight (8) following completion of conversion. Exemption benefits are, thereafter, phased-out at 20% per year during years nine (9) through twelve (12).

In addition to the exemption benefits set forth above, real property taxes equal to the amount of tax that would otherwise be due in the first year following completion of conversion are abated for a period of fourteen (14) years. During years one (1) through ten (10), 100% of this amount is abated; during years eleven (11) through fourteen (14), abatement benefits are phased-out at 20% per year.

For non-residential properties, such as the subject, consisting of 100,000 square feet or more, partial 421-g exemption and abatement benefits are available following the conversion of at least 50% of the property's aggregate floor area as evidenced by the issuance of a Temporary Certificate of Occupancy by the NYC Department of Buildings.

The 12-year exemption and 14-year abatement benefit periods begin to run during the first year partial benefits are approved. Exemption and abatement benefits are subsequently adjusted each year (for up to five years) to reflect the conversion of additional space until such time the conversion is complete.

Exemption and abatement benefits under the 421-g Program are proportionately reduced by any non-residential floor area in excess of 12% of the property's aggregate floor area. Based upon square footage numbers you have provided for the residential condominium units to be created on floors 8 through 24, should your 421-g Application be granted, we do not estimate that there will be a reduction in benefits for excess non-residential space.

Based upon your description of the project, the law firm of Seiden & Schein has issued an Opinion Letter indicating that the residential condominium units on floors 8 through 24 would qualify for exemption and abatement benefits under the 421-g program.

The first tax year following the June, 2006 start of conversion will be fiscal 2007/08. As set forth above, you anticipate that the conversion will be approximately 25% complete as of January 5, 2007. Because you anticipate the conversion to be less than 50% complete, we assume that the property will only be eligible for the one-time preliminary construction exemption for the 2007/08 tax year. The exemption will be based on physical assessment increases attributable to the residential condominium units on floors 8 through 24 for work completed as of January 5, 2007, which we estimate will be in the approximate amount of $1,090,000. Assuming preliminary 421-g benefits are approved and a tax rate of 12.396% (e.g., the fiscal 2005/06 "class 2" tax rate), we estimate that real estate taxes due for residential condominium units on floors 8 through 24 for the tax year July 1, 2007 through June 30, 2008 would be in the approximate amount of $868,000.

The first tax year following the anticipated completion of conversion is 2008/09. The potential 421-g exemption for 2008/09 would be based on the physical assessment increases attributable to the conversion of floors 8 through 24, which we estimate will be in the approximate amount of $4,375,000.

Potential abatement benefits under the 421-g program would be calculated and determined based on the non-exempt 2008/09 taxable assessed value of the residential condominium units on floors 8 through 24. Assuming a tax rate of 12.396% (e.g., the fiscal 2005/06 "class 2" tax rate), the property's 421-g abatement would be fixed for the benefit period in the approximate amount of $874,000.

Should 421-g benefits are granted, therefore, we estimate that the real estate taxes due on the residential condominium units on floors 8 through 24 for the 2008/09 tax year will be in the amount of $0.00.

We make no warranty or guarantee regarding the property's eligibility for 421-g tax benefits. No representations are made herein that the property will ultimately qualify, or be approved, for 421-g benefits or that these benefits will be realized, or realized in the amounts estimated herein. All prospective purchasers should be aware that tax exemption and abatement benefits are fixed as of the first tax year following completion of conversion. As such, subsequent assessment increases and/or tax rate increases may result in real property tax liability during the 421-g benefit period.

You have also advised us that you intend to apply for partial tax exemption benefits pursuant to section 421-a of the New York Real Property Tax Law ("421-a") on behalf of the residential units constructed on floors 25 through 30.

Should your 421-a application ultimately be approved, the 2008/09 exemption on the residential condominium units on floors 25 through 30 will be based on the increase in the property's pre-construction assessed value attributable to those units. The exemption will be reduced by the percentage of non-residential space, if any, in excess of 12% of the aggregate floor area of those floors. Based upon square footage numbers you have provided for the residential condominium units to be created on floors 25 through 30, should your 421-a Application be granted, we do not estimate that there will be a reduction in benefits for excess non-residential space.

Exemption benefits under the 421-a program would run for up to three years during construction and, thereafter, for ten (10) years following the completion of construction as follows: Two (2) years at 100% with a semiannual 20% reduction in benefits for years 3 through 10.

Based upon your description of the project, the law firm of Seiden & Schein has issued an Opinion Letter indicating that the residential condominium units being constructed on floors 25-30 would qualify for partial exemption benefits under the 421-a program.

According to New York City Department of Finance records, the property's 2004/05 pre-construction taxable assessed value was in the total amount of $14,080,000. Based upon the relative estimated assessed values of the various portions of the building, we estimate the portion of the property's pre-construction assessed value that will be attributed to the residential condominium units on floors 25 through 30 will be in the approximate amount of $3,535,000.

Given the project's start and anticipated completion dates, the 2007/08 would represent the first construction benefit year and 2008/09 would represent the first year of the 10-year post-construction benefit period. Should your 421-a Application be granted, we estimate assessed value and tax liability for the residential condominium units on floors

25 through 30 for each of the 2007/08 and 2008/09 tax years to be as follows:

	Est. Taxable Assessment	2005/06 Tax Rate	Est. Tax Liability
Residential Units (floors 25-30) . . .	$3,535,000	12.396%	$438,200

No representations or warranties are made herein regarding the property's eligibility for RPTL 421-a exemption benefits, that the New York City Department of Housing Preservation & Development will approve these benefits, or that these benefits will ultimately be realized or realized in the amounts set forth.

It is the policy and practice of the New York City Department of Finance to assign separate tax lots and apportion the assessed valuation of a condominium among the various units, after consideration of the percentage of common interest and relative projected sales prices contained in the Offering Plan.

This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. No government agency has passed upon these figures or the estimates of assessed valuation and taxes herein. We have not passed on the accuracy of any figures or estimates contained in the Offering Plan, and offer no warranties on real estate assessments, tax classifications, taxes, or tax rates for any period. All prospective purchasers are advised that, although the estimate of assessed valuation upon completion of construction are good faith estimates, such assessed valuations when actually made may be less or greater than as estimated herein.

The above estimates 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 rates. The above opinion is based upon our interpretation of The New York State Real Property Tax Law and The Administrative Code of the City of New York and is not intended to be a guarantee or assurance that the actual tax assessments or actual taxes will be as estimated.

No representation is made that the provisions of law or New York City Department of Finance policies and practices will apply at the time the construction of the building is complete. You should be aware that the laws, regulations and practices of the Department of Finance upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one of more agencies of the City of New York, or Courts of competent jurisdiction.

While we believe our opinions are well-founded, they are not intended, and should not be construed as, representations or warranties that assessment and taxes will not be determined in a different amount. The foregoing analysis is based upon our knowledge of the making and review of assessments by the Real Property Assessment Department and the Tax Commission of the City of New York with respect to residential properties held in the condominium form of ownership. Application of a particular approach to valuation by an individual assessor may yield a different result.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

PODELL, SCHWARTZ, SCHECHTER
& BANFIELD, LLP

BY: _____
ISRAEL SCHECHTER

IS:

KRAMER LEVIN NAFTALIS & FRANKEL LLP

OPINION REGARDING ALLOCATION OF COMMON INTERESTS

PHONE 212-715-9100
FAX 212-715-8000

November 16, 2006

40 Broad LLC
c/o Zamir Equities
587 Fifth Avenue, 7th Floor
New York, New York 10017

Re: The Setai Condominium Residences at 40 Broad Street (the "Condominium")

To Whom It May Concern:

You have requested our opinion regarding the allocation of common interests to the Units at the Condominium as required by 13 NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Offering Plan (the "Plan") for the Condominium.

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Cooper Square Realty 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 Cooper Square Realty.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law ("RPL") Section 339-i(1)(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 RPL Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will the Sponsor, Kramer Levin Naftalis & Frankel LLP, Selling Agent, Managing Agent or the 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.

Very truly yours,

Kramer Levin Naftalis & Frankel LLP

V. WORKING CAPITAL FUND

The Purchaser of each Residential Unit shall be required to make a contribution at the closing of title to such Unit(s) to or in respect of the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time.

No reserve fund is being established for the Condominium. Sponsor has elected not to provide for a reserve fund to be used for capital replacements or repairs in respect of the Building because upon completion of the construction to be performed by or on behalf of Sponsor as described herein, the Building will be substantially newly renovated.

In addition, no reserve fund has been established for the Condominium in its budget for the projected First Year of Operation of the Condominium (Schedule B) for use by the Board, which in general has principal responsibility for repairing and maintaining the Common Elements (such as the roofs, central fire alarm and security systems, and various mechanical and electrical systems). The Board may decide in the future to establish a reserve fund or pay for necessary repairs or capital items by special assessment or by increasing Common Charges, payable by the Unit Owners. Each Unit Owner would be individually liable for the amount of such special assessment against, or increase payable by the Board to the extent of such Unit Owner's proportionate Common Interest among all Unit Owners.

At the First Closing, Sponsor will apportion the following items with the Board as of the date preceding said closing:

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

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

(3) charges for steam, gas, electricity and other utilities;

(4) payments under assignable service, maintenance and concession contracts;

(5) water charges and sewer rents on the basis of the fiscal year for which assessed (unless separately assessed to individual Units);

(6) cost of fuel and Building supplies on hand, at Sponsor's cost (plus sales tax);

(7) premiums for transferable insurance policies; and

(8) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon

thereafter as the undetermined amounts are ascertained. No such adjustments or apportionments are expected to be substantial. 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 may be held or used for working capital, to make repairs and/or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Board, in its sole discretion and may be augmented by allocations from monthly Common Charges collected by such Board. Other than as provided in the preceding sentence, Sponsor will not separately contribute to the Working Capital Fund. However, while Sponsor controls the Board, the Working Capital Fund will not be used to reduce estimated Common Charges, and in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Residential Units.

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

Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the Working Capital Fund.

W. MANAGEMENT AGREEMENT AND CONTRACTS

1. Management Agreement

It is presently contemplated that at or prior to the First Closing, the Board will enter into a management agreement with Cooper Square Realty, having an address at 6 East 43rd Street, New York, New York 10017-4609, to act as Managing Agent with respect to the Condominium.

It is contemplated that the Management Agreement will provide for an initial term of one year commencing on the First Closing and thereafter, if not otherwise terminated by the Board for a one year period, subject to any changes in fees set forth in a notice to be delivered to the Condominium Board which must be served at least forty-five (45) days but not more than sixty (60) days prior to the expiration of the initial term of the Management Agreement. The Managing Agent will receive an annual fee of $85,000 for such one year, payable in equal monthly installments. 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 Legal Requirement, the Managing Agent may terminate the 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 management fee will be included in Common Expenses as discussed above in Section E, "Projected Budget for First Year of Condominium Operation." The Managing Agent will be entitled to additional fees for certain special services performed by it.

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

(1) billing and collecting Common Charges payable by the Unit Owners;

(2) causing the Common Elements to be maintained, repaired, replaced and altered in the manner deemed advisable by the Board. The approval of the Condominium Board is necessary for any expenditure of over $2,500 for any one item of ordinary repairs or alterations (other than emergency repairs or repairs to comply with a governmental notice or order);

(3) contracting for necessary services and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements subject to the approval of the Board where such service contract is in excess of one (1) years or $2,500 per annum requires the consent of the Condominium;

(4) checking all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid;

(5) supervising, hiring and discharging employees necessary for the proper maintenance and operation of the Building;

(6) rendering monthly statements of receipts and disbursements to the Board or other designated entity, upon request;

(7) maintaining payroll records and filing withholding tax statements for employees;

(8) maintaining accurate sets of books for the Board;

(9) cooperating with the Boards' accountants in preparing and submitting annually to the Board an operating budget of the anticipated income and expenses for the ensuing year;

(10) attending meetings of the Board and annual meetings of the Unit Owners, and preparing agendas and sending notices relating to such meetings, and if requested by the Condominium, provide a secretary, at the Condominium's expense to record the minutes of such meetings; and

(11) generally, doing all things deemed reasonably necessary or desirable by the Board for the proper management of the Building and attending to the various needs and comforts of the Unit Owners.

The 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 Board, provided however, any such indemnification shall not cover any claims resulting from the Managing Agent's gross negligence or willful misconduct.

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 its own expense, will be bonded during the term of the Management Agreement under fidelity or general surety bonds in favor of the Condominium in the minimum amount of $1,000,000 for any loss resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees.

Sponsor reserves the right during the Initial Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by the Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above. After the Initial Control Period, upon the expiration or sooner termination of the then current agreement with the Managing Agent, the Board may designate any other managing agent to perform the duties and services to be performed by the Managing Agent under the Plan. The term "Managing Agent" when used in the Plan with respect to any time after Sponsor or the Board has designated another managing agent shall mean such other agent. The Management

Agreement may not be assigned by the Managing Agent without the prior written consent of the Board. Sponsor will amend the Plan to disclose having entered into the Management Agreement promptly after execution thereof.

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X. IDENTITY OF PARTIES

1. Sponsor

Sponsor is 40 Broad LLC, a Delaware limited liability company with an office at c/o Zamir Equities, 587 Fifth Avenue, 7th Avenue, New York, New York 10017. Sponsor's sole member is Yahalom 40, LLC, a Delaware limited liability company. The principals of Yahalom 40, LLC, are Asher Roshanzamir, Ebrahim Kashani, Jeffrey Cohen, J & K Ghadamian, Moradi Realty Corp., Kenny Moghadam, Yogi Leshinski, Atit Javeri, Michael Mobasser, Joseph & Donna Gad Hecht, Kalan Equities, Oro Link, Robbie Morris, Rose Equities Inc., Yehuda Roshanzamir, Saeid & Edna Samsian, Josh Roshanzamir, Michael Roshanzamir, and DMG Properties.

The individual officers, directors, shareholders and principals of Sponsor who are actively involved in the planning or consummation of the offering contemplated by the Plan are: Joshua Roshanzamir and Asher Roshanzamir

Sponsor, its principals and affiliated entities have not been involved in any cooperative or condominium offerings in the State of New York within the past five years and do not own 10% or more of the Unsold Residential Units or unsold shares in any building, except Joshua Roshanzamir and Asher Roshanzamir are principals of River Terrace Apartments LLC, sponsor of the Condominium Offering Plan for Miraval Living, 515 East 72nd Street Condominium CD#05-0596.

The Secretary of State has been designated to receive service of process for Sponsor.

There have been no prior felony convictions of Sponsor, or any principals of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within 15 years prior to the submission of this Plan.

2. Attorneys for Sponsor

Sponsor has retained the law firm of Kramer Levin Naftalis & Frankel LLP, having an office at 1177 Avenue of the Americas, New York, New York 10036 ("Sponsor's Counsel"), to represent it in connection with the Plan. Jay A. Neveloff, Esq. had principal responsibility for the preparation of the Plan, the Declaration, the By-Laws and the forms of Agreement, Unit Deed and Unit Power of Attorney. Sponsor's Counsel has also rendered opinions with respect to the possible availability of income tax deductions to Purchasers of Residential Units and the allocation of Common Interests. Sponsor's Counsel will serve as Escrow Agent under the Agreements and will represent Sponsor in connection with Unit closings.

2. Selling Agent

The Selling Agent for the project is The Marketing Directors, Inc. having an office at 750 Lexington Avenue, New York, New York 10022. In the past, The Marketing

Directors has engaged in all phases of real estate sales and marketing, specializing in Manhattan's downtown communities, including off-site sales and rentals of cooperative and condominium apartments and lofts, on-site rental and cooperative and condominium sales.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent; and no prior convictions, injunctions and judgments against the Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within 15 years prior to the submission of this Plan.

A list of properties which have been sold by the Selling Agent include: 200 Chambers Street, New York, New York; 30 Fulton Street, New York, New York; 150 Nassau Street, New York, New York.

3. Managing Agent

Sponsor presently anticipates that the initial Managing Agent for the Condominium will be Cooper Square Realty, having an address at 6 East 43rd Street, New York, New York 10017. The Managing Agent is not affiliated with the Sponsor. The Managing Agent has been engaged in the development, ownership, operation and management of New York City residential properties for over twenty years. The Managing Agent is not affiliated with the Sponsor and the management fee is at the prevailing rate.

There have been no prior felony convictions of the Managing Agent or any principals of Managing Agent; and no prior convictions, injunctions and judgments against Managing Agent or any principal of the Managing Agent that may be material to the Plan or an offering of securities generally, that occurred within 15 years prior to the submission of this Plan.

A list of the properties which have been managed by the Managing Agent include: 2373 Broadway, New York, New York; One Morton Square, New York, New York; and 150 Columbus Avenue, New York, New York.

4. Budget Expert

Cooper Square Realty, having an address at 6 East 43rd Street, New York, New York 10017, estimated all amounts of income and expenses in Schedule B, "Projected Budget for First Year of Condominium Operation," in consultation with Sponsor. The budget expert has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except: (i) for its fees for services rendered in connection with the same; or (ii) to the extent of its interest as Managing Agent.

5. Real Estate Tax Consultant

Podell, Schwartz, Schechter & Banfield, 605 Third Avenue, New York, New York 10158 has been engaged as a real estate tax consultant in connection with the Plan. The firm prepared a forecast of the assessed valuation of the Units following construction and submission of the Property to a condominium regime of ownership that was used in preparing the provisions of Schedule A and other disclosures in the Plan regarding projected real estate taxes. The forecast was prepared by Israel Schechter, a partner of the firm. The real estate tax

consultant has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

6. Construction Professionals

Newmark Construction Services, LLC, is the construction manager engaged by Sponsor to construct the Project. Newmark Construction Services, LLC, an affiliate of Newmark & Company Real Estate, Inc., performs due diligence services, core and shell capital work, new tenant installations and adaptive rehabilitation of existing structures. Newmark Construction Services, LLC, has acted as Owner's representative and performed due diligence work on acquisition, leasing and construction projects throughout the New York Metropolitan area. Recent projects include The Toy Center (200 Fifth Avenue), 63 Wall Street, 270 Broadway, 90 Washington Street, Downtown Athletic Club (18-20 West Street), 100 Maiden Lane, 90/100 John Street.

Avinash K. Malhotra Architects, 148 West 24th Street, New York, New York 10011 is the architect retained by Sponsor in connection with the Project. Since its inception in 1978, Avinash K. Malhotra Architects has been recognized for excellence in a variety of architectural project types. The office's work has won prominent design awards including an American Institute of Architects Award and a Municipal Art Society Preservation Award. Recent projects include 2 Gold Street, 200 Water Street, The Ocean, 99 John Street, 18 West Street, and 63 Wall Street.

George Langer Associates, having an office at 134 West 29th Street, New York, New York 10001, is the is the mechanical and electrical engineer for the Building and has been providing engineering services since 1969. The mechanical and electrical engineer has provided mechanical engineering for the following projects: 252 Seventh Avenue, 45 Wall Street, 100 John Street, 17 Battery Place, 99 John Street, 90 Washington Street, 22 River Terrace, and 15 Cliff Street. The mechanical and electrical engineer prepared the plumbing, mechanical and electrical report for the Building included in the Description of Property and the estimates of utilities consumption used in the preparation of Schedule B, "Projected Budget for First Year of Condominium Operation."

Goldstein Associates Consulting Engineers, P.C., 989 Sixth Avenue, New York, New York 10018 is the structural engineer for the renovation work at the Property. Goldstein Associates has been in business since 1979 and has served as structural engineer for projects such as The Smith, Brooklyn, New York, and 45 Park Avenue, 46th Street and 8th Avenue Tower, 88 Leonard Street, Bradhurst Park, Riverside End, and Chelsea Market, New York, New York.

None of the construction professionals has a financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for their respective fees for services rendered in connection with the same.

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Y. REPORTS TO UNIT OWNERS

It is the obligation of the Board to give all Unit Owners annually:

1. a financial statement of the Condominium prepared by a certified public accountant or public accountant, within 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Board;

2. at least 30 days' prior notice of the annual Unit Owners' meeting; and

3. a copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Board.

While Sponsor is in control of the Board, such budget shall be certified in compliance with Section 20.4(d) of the Regulations of the Department of Law.

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Z. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection without charge, and for copying at a reasonable charge, at Sponsor's office for a period of six years after the First Closing. 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 when the Declaration is recorded, and an additional set will be furnished to the Board at the time of the First Closing.

The Declaration and the By-Laws will be recorded in the City Register's Office prior to or concurrently with the First Closing, and a copy thereof will be furnished to the Board at such time.

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AA. GENERAL

Except as set forth herein, there are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect the offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium.

To the best of Sponsor's knowledge, the Property has not been the subject of any prior cooperative or condominium offerings. No preliminary binding agreements have been entered into and no money has been collected from prospective Purchasers.

Sponsor and the Selling Agent each hereby represent that it will not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

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 Unit Deed, form of Unit Power of Attorney and other documents. 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 documents 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.

No party other than any Purchaser 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 the Sponsor's obligations hereunder and no party other than any Purchaser shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, 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 and/or prospective Purchasers under the Plan. However, no such change with respect to any Unit for which an Agreement is then in effect may be made without the consent of the Purchaser thereunder. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material change that adversely affects any Purchasers, Sponsor shall grant such Purchasers a right to rescind their respective Agreements by written notice to Sponsor given within 15 days after the date of presentation of such amendment. In such event, Sponsor shall direct the Escrow Agent to return the Deposit of any Purchasers who duly rescind their Agreements.

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.

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BB. 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.

Sponsor has exercised due diligence to obtain a detailed technical report on the condition of the Property as at a date contemporary with this Plan. Sponsor is not an architect or engineer, but believes and hereby represents that the "Description of Property," with additional information by Sponsor if any as indicated, set forth in Part II of the Plan, represents accurately the present Building condition. The firm preparing the "Description of Property" has no financial interest in the Property, Sponsor, the Condominium, the Selling Agent, any affiliates thereof, or any other party interested in this transaction, except for the fee for services rendered. Sponsor knows of no facts or information inconsistent with the report.

Sponsor represents that it has no knowledge of any material defects or need for major repairs to the Building except as hereinafter set forth in the "Description of Property," and the violations search set forth in Part II of the Plan. Sponsor has no specific knowledge about problems with or needed repairs to the facade of the Building. Sponsor makes no representations as to the scope or nature of the work which may be required to maintain the facade in the future, provided, however, that Sponsor has no reason to believe that there is a problem with the structural integrity of the facade or that there is a need for any work to the facade except for routine building maintenance.

The Units are being sold "as is" in the condition in which they exist at the time of transfer of title to such Unit, unless Sponsor and the Purchaser of such Unit otherwise agree in writing. Except as otherwise expressly provided in this Plan, Sponsor's obligation to make repairs in any Unit shall cease upon the closing of title to such Unit. Sponsor will, however, maintain and operate the Building until the First Closing in substantially the same manner and condition as on the filing date of this Plan (subject to ordinary wear and tear) except to the extent that Sponsor is precluded from so doing by acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so maintaining the Building and the Common Elements (or causing the same to be maintained). Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, any repairs subsequent to the First Closing that it was obligated to make prior to the First Closing.

As more fully described in "The Property" in Section A above, and subject to the matters described therein, Sponsor anticipates that renovation of the Building will be sufficiently completed to allow the first closing of a Residential Unit to occur in or about July, 2007. A new Certificate of Occupancy will be issued for the Building when the renovation of the Building is complete. Sponsor will obtain a temporary Certificate of Occupancy permitting occupancy of

specific Units prior to the closing of the sale of such Units. All notices of building code violations or other violations of law which have been received with respect to the Property will be cured prior to the First Closing.

Dated: November 16, 2006
New York, New York

SPONSOR:

40 Broad LLC

PART II

EXHIBIT 1

PURCHASE AGREEMENT

PLAN EXHIBIT 1

AGREEMENT

_____

_____

Purchaser(s)

with

40 BROAD LLC

Sponsor/Seller

_____

Unit Number ____
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET
40 Broad Street
New York, New York 10004

AGREEMENT

UNIT NO. ___

The Setai Condominium Residences at 40 Broad Street
40 Broad Street
New York, New York 10004

(to be executed in quintuplicate)

AGREEMENT (this "Agreement"), made as of the ___ day of _____ 200__, between 40 BROAD LLC, a Delaware limited liability company, having an office at c/o Zamir Equities, 587 Fifth Avenue, 7th Floor, New York, New York 10017 (hereinafter, "Sponsor"), and

_____

_____

having an address at _____

_____ (hereinafter, "Purchaser").

W I T N E S S E T H:

1. Definitions. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Offering Plan for The Setai Condominium Residences at 40 Broad Street (the "Condominium") (such plan, together with any amendments thereto filed prior to the date hereof, is hereinafter referred to as the "Plan").

2. The Unit. Sponsor hereby grants to Purchaser, and Purchaser hereby acquires from Sponsor, an option to purchase Unit No. ____ at the Condominium (as designated in the Declaration), together with the undivided _____% interest in the Common Elements appurtenant to such Unit (the "Unit"), upon and subject to the terms and conditions set forth herein.

3. Purchase Price.

3.1 The purchase price for the Unit (the "Purchase Price") is $_____ payable as follows:

(a) $_____ (the "Initial Deposit"), due upon the signing and submitting of this Agreement, receipt of which (subject to collection) is hereby acknowledged;

(b) $_____ (the "Additional Deposit"; the term "Deposit", as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit), due upon the earlier to occur of: (i) _____ (the date which is six (6) months after the date of this Agreement); or (ii) fifteen (15) days after Sponsor serves Purchaser

with written notice of an amendment declaring the Plan effective, but in no event later than the closing of title, subject to collection;* and

(c) $_____ (the "Balance"), constituting the balance of the Purchase Price, at the closing as hereinafter provided.

3.2 All checks shall represent United States currency, be drawn on or issued by a New York bank which is a member of the New York Clearing House Association and shall be unendorsed. Checks for the Deposit shall be Purchaser's good check(s) or, at Sponsor's option, Purchaser's certified check(s) or an official bank check(s), made payable to the direct order of "Kramer Levin Naftalis & Frankel LLP, as Escrow Agent". The check or checks for the Balance and all other sums due Sponsor pursuant to this Agreement shall be good certified check of Purchaser or official bank or cashier's check, made payable to the direct order of "40 BROAD LLC" (or such other party as Sponsor directs to Purchaser, in writing, prior to the date of closing of title). If any check is returned, dishonored or fails collection for insufficient funds or for any other reason, the Escrow Agent is authorized to deliver such check to Sponsor and Sponsor will have the choice of remedies set forth in the Plan and in this Agreement with respect to an Event of Default (which shall include suing on such dishonored check or (at Sponsor's option) canceling this Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default).

4. Deposit.

4.1 The Initial Deposit shall be deposited within five (5) business days after this Agreement is countersigned by or on behalf of Sponsor and returned to Purchaser, and the Additional Deposit shall be deposited within five (5) business days after its receipt by Sponsor or Sponsor's agents, employees or the Escrow Agent, in each case into a segregated special interest-bearing escrow account (the "Escrow Account") at Commerce Bank, NA., 317 Madison Avenue, New York, New York 10017 (the "Depository") entitled "The Setai Condominium Residences at 40 Broad Street Escrow Account" subject to the provisions of the Plan with respect to the designation of a substitute bank and/or account type or title. The Deposit shall be held in trust in such account in conformity with Sections 352-e(2)(b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto until such funds may be withdrawn in accordance with such laws and regulations and the terms of this Agreement and the Plan. While the same are being so held, such funds shall not be commingled with any other funds of Sponsor (except, at Sponsor's sole election, funds deposited by other purchasers under the Plan). The Escrow Account will be interest-bearing and, unless Purchaser defaults, interest will be credited to Purchaser at the closing. The interest rate to be earned will be the prevailing rate for these accounts. (No representation or guarantee is made as to the actual rate of interest that will be earned on such funds.) Interest, if any, will begin to accrue within five (5) business days after this Agreement is fully executed and tender for payment of the check representing the Deposit. Notwithstanding anything to the contrary contained herein, unless and until Purchaser has delivered to the Escrow Agent a completed and signed Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), whichever may be applicable, the Deposit will be deposited in a non-interest-bearing escrow account at the Depository.

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* Omit if Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e. diplomatic immunity).

4.2 The Deposit shall be held in the escrow account identified in Section 4.1 above until Kramer Levin Naftalis & Frankel LLP (the "Escrow Agent") is otherwise directed in: (a) a writing signed by both Sponsor and Purchaser; or (b) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or (c) a judgment or order of a court of competent jurisdiction.

4.3 If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will not pay the funds to Sponsor until the Escrow Agent has given Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds 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 regulations and has so notified the Escrow Agent in accordance with such provisions.

4.4 Sponsor will not object to the release of the escrowed funds to: (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan; or (b) all purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

4.5 Purchaser or the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the escrowed funds 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 attached as Exhibit 8 of Part II of the Plan. The party applying for a determination must send all other parties a copy of the application. Pending the determination of the Attorney General to grant or deny the application, Sponsor, Purchaser and the Escrow Agent shall abide by any interim directive issued by the Attorney General.

4.6 Sponsor and Purchaser hereby jointly direct the Escrow Agent as follows:

(a) if title to the Unit is transferred to Purchaser, the Deposit shall be paid to Sponsor, and any interest earned on the Deposit shall be paid to Purchaser; or

(b) if Purchaser becomes entitled to cancel this Agreement in accordance with the terms of this Agreement or the Plan, and actually cancels this Agreement as so provided, the Deposit and any interest earned on the Deposit shall be refunded in full.

4.7 Sponsor is required by law to submit a Form 1099 to the Internal Revenue Service reporting any interest earned on the Deposit, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this Article or Article 8.

5. Closing Date and Place.

5.1 The closing of title shall be held at the offices of Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior notice. Sponsor may, from time to time, adjourn such date and hour upon reasonable prior notice to Purchaser, which notice shall fix a new date (and hour and place, if appropriate) for the closing of title (but in no event may Sponsor adjourn the date originally set herein for a closing for more than twelve months in the aggregate without the consent of Purchaser).

5.2 Whenever used herein, the terms "Closing Date" or "closing of title" or words of similar import shall mean the date on which the deed to the Unit is delivered to Purchaser.

6. **Delivery of 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 fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances and title conditions set forth on Schedule A annexed hereto and made a part hereof. Sponsor shall prepare the deed, which shall be substantially in the form set forth in Exhibit 3 in Part II of the Plan, and Sponsor and Purchaser shall execute the deed and have the same acknowledged, in form for recording.

6.2 At the closing of title, Purchaser shall execute and acknowledge a power of attorney to the Board, prepared by Sponsor and substantially in the form set forth as Exhibit 2 in Part II of the Plan.

6.3 The executed deed and power of attorney 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: (i) the deed shall be returned to Purchaser; and (ii) the power of attorney in favor of the Board shall be returned to the Board (or as the Board shall direct).

6.4 Purchaser's payment of the Balance and acceptance of the deed to the Unit shall constitute Purchaser's recognition that Sponsor has fully satisfactorily performed those obligations stated in the Plan and/or this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan or Part 20 of the Regulations issued by the Department of Law.

7. **State of Title.**

7.1 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition 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 the Title Company (hereinafter defined), together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium). Any of (a) Royal Abstract of New York LLC (500 Fifth Avenue, New York, New York 10110, Attn: Marty Kravet, (212) 376-0900); (b) Chicago Title Insurance Company (711 Third Avenue, 5th Floor, New York, New York 10017, Attn: Elliot L. Hurwitz (212) 880-1400); or (c) First American Title Insurance Company of New York (633 Third Avenue, New York, New York 10017, Attn: Bruce Clay, (212) 922-9700), or such other or additional company/ies designated by Sponsor in an amendment to this Plan.

7.2 Sponsor shall be entitled to adjourn the closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the

closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the closing, then, for purposes of Article 12 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser. Notwithstanding the foregoing, receipt by Sponsor's attorney: (i) not less than 10 days prior to closing of a title report issued by the Title Company reflecting any defect in title not set forth in Schedule A; or (ii) not less than 5 days prior to closing of a title update or continuation reflecting (together with a cover letter expressly identifying therein) any defect in title not set forth in Schedule A, shall be deemed timely written notice to Sponsor's attorney of such defect.

7.3 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 7.3 shall survive the closing of title or the termination of this Agreement.

8. Closing Adjustments.

8.1 The following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of the Closing Date:

(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) if Purchaser is allowed to occupy the Unit prior to the closing, accrued rent and any other charges pursuant to an interim lease or occupancy or other agreement, if any, covering the Unit.

8.2 If the Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser; however, the installment for the then current period shall be apportioned appropriately. If the Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 8.1(a) hereof shall be based upon the Property's actual taxes and assessment for such period prorated to the Unit in the manner set forth in Section 6.16 of the By-Laws and in Part I of the Plan.

8.3 Sponsor shall remit or cause to be remitted to Purchaser an amount equal to interest, if any, earned on the Deposit, on or promptly after the Closing Date.

8.4 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 7 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.03% per day (or such lower rate per day which is the legal limit, if 0.03% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing 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.

8.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect to 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 aforesaid and as otherwise provided herein or in the Plan.

8.6 Any errors or omissions in calculating apportionments at closing shall be corrected, and payment shall be made to the proper party, promptly after discovery. This provision shall survive the closing.

9. Closing Costs

Purchaser shall be required to pay certain costs in connection with the purchase of the Unit, in addition to any net credit in favor of Sponsor that may result from the closing adjustments and any interest or late closing charge described in Article 8. Other than any such net credit in favor of Sponsor that may result from the closing adjustments (or certain other fees which may be payable prior to the closing, as described below), all such closing costs shall be paid by Purchaser, at closing, by Purchaser's unendorsed, personal certified check or by official bank check, in either event drawn only upon a bank that is a member of the New York Clearing House Association. Such closing costs will include the following, the amounts of which (where applicable) are based on rates in effect on the date hereof and are subject to change without prior notice:

9.1 If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium to the title company for such insurance, which will vary depending upon the amount of insurance purchased.

9.2 Purchaser will pay a fee to the City Register for recording the deed and the power of attorney of approximately $32.00 for each instrument plus $5.00 for each page (including the cover page), and will pay the filing fee for the RP-5217 form. In addition, Purchaser's title insurance company may charge various fees and service charges in connection with such recordings and filings, all of which shall be payable by Purchaser.

9.3 If Purchaser obtains a mortgage loan, Purchaser shall pay all closing costs associated with such loan, which may include, but need not be limited to, the following:

(a) a fee and service charge for recording the mortgage at the same rates given above for recording the deed and power of attorney;

(b) a mortgage recording tax in the amount provided for by law, which on the date hereof is 2.05% of the principal amount of the mortgage for mortgages of less than $500,000 and 2.175% of the principal amount of the mortgage for mortgages equal to or greater than $500,000 (further, pursuant to law, the mortgagor receives a $30 deduction and the

mortgagee pays .25%, and in each case, the amount payable to Sponsor under subparagraph (c) below is deducted);

(c) to Sponsor, a sum equal to the full amount (but not in excess thereof) of the partial mortgage recording tax credit provided by Section 339-ee(2) of the New York Condominium Act, to the extent the same is or becomes available, as a reimbursement for the mortgage recording taxes previously paid (such credit is based, in general, on the Common Interest of the Units being purchased multiplied by a portion of the mortgage tax previously paid on account of pre-existing mortgages on the Property);

(d) the premium for mortgage title insurance, if required by Purchaser's lender;

(e) deposits for Common Charges, real estate taxes, any assessments, water charges and sewer rents (if separately assessed), if required by Purchaser's lender; and

(f) such other costs and expenses in connection with such loan as determined by Purchaser's lender.

9.4 Purchaser will be required to pay the amount of $1,450 to Kramer Levin Naftalis & Frankel LLP, Sponsor's counsel, for each Unit purchased hereunder, in order to defray Sponsor's legal fees for services in connection with preparing the deed and power of attorney and for coordinating and attending the closing and the sum of $350 for the preparation of ACRIS transfer documents required by the City of New York. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's counsel or if Purchaser otherwise requests that the Closing occur other than at the office of Sponsor's counsel (or such other place as Sponsor may designate in its closing notice) and Sponsor in its sole discretion consents to such request, the closing may be held elsewhere in New York City, provided that Purchaser shall pay Sponsor's counsel a travel fee of $500 if the closing is held elsewhere in Manhattan and $750 if the closing is held in another borough other than Manhattan. If, through no fault of Sponsor, Purchaser fails to close on the date scheduled by Sponsor (including, without limitation, the failure of Purchaser or Purchaser's attorney to give at least ten (10) days' prior written notice of a title defect as required in Article 7 above and the failure of Purchaser to have payment in proper form available at closing), then Purchaser shall pay to Sponsor's counsel an additional fee of $600 for each Unit purchased hereunder for each rescheduled closing to help defray the cost of preparing for and coordinating the new closing and recalculating the closing apportionments. If Purchaser shall obtain mortgage financing, then Purchaser shall pay an additional fee of $500 to Sponsor's counsel to defray the additional costs associated therewith. In addition, 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 (or Purchaser otherwise exercises its limited right with respect to an assignment as provided in Section 23.4 hereof), a fee of $850, shall be payable by Purchaser to Sponsor's counsel, for preparation of an assignment agreement. Purchaser may be required to pay more than one fee pursuant to the preceding sentence and forgoing provisions with respect to a single Unit. At Sponsor's option in its sole discretion, any one or more of the foregoing fees to be paid to Sponsor's counsel shall be paid by Purchaser in advance, prior to closing, upon notice to Purchaser.

9.5 Purchaser shall make a contribution to the Working Capital Fund of the Condominium, payable to the Board, in an amount equal to two (2) months' Common Charges then in effect for each Unit pursuant to the Condominium budget and in accordance with Schedule A in the Plan, as the same may be amended from time to time.

9.6 Purchaser shall pay to the Board the Common Charges for the Unit for the first full month following the month in which title closes. In addition, if Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall pay to the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by Purchaser of the terms, provisions and conditions of the By-Laws. In the event that Purchaser defaults in respect of the terms, provisions and conditions of the By-Laws, the Board may use, apply, or retain the whole or any part of the security so paid in advance to the extent required for the payment of any Common Charges or any other sum as to which Purchaser is in default; and such Unit Owner shall, within thirty (30) days after notice from the Board, deposit with such Board the amount so applied or retained so that at the option of the Board, such Board shall have the full amount of said security on hand at all times. The provisions of the preceding sentence shall survive the closing of title.

9.7 Purchaser shall pay the Real Estate Transfer Tax due to the State of New York (the so-called "deed stamps" and, if applicable, the so-called "mansion tax"), the Real Property Transfer Tax due to the City of New York and any other real property transfer tax due to the City or State of New York. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Section 9.7 and to indemnify Sponsor as herein provided shall survive the closing of title or the termination of this Agreement.

10. Transfer Tax Returns. At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), or such other forms as may then be required by law. The RPT Form and Combined Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11. The Plan.

11.1 Purchaser acknowledges having received and read a copy of the Plan, including all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, at least three (3) business days before submitting this Agreement. If, however, Purchaser did not receive a copy of the Plan at least three (3) business days before submitting this Agreement, Purchaser may rescind this Agreement, by sending written notice of same to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within seven (7) days of Purchaser's submission of this Agreement.

11.2 The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express modifications to the terms of the Plan included in this Agreement and agreed to by Sponsor and Purchaser, in which case such modifications will govern.

11.3 Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

12. **Default by Purchaser**. (a) Any of the following shall constitute an "Event of Default" hereunder:

(i) Purchaser's failure to pay the Additional Deposit on the date set forth in Article 3 hereof,[1] Purchaser's failure to pay the Balance or any closing apportionment or closing cost required to be paid by Purchaser in Article 8 or 9 hereof on the Closing Date designated by Sponsor pursuant to Article 5 hereof, or the dishonor of any check given by Purchaser to Sponsor;

(ii) the failure to pay, perform or observe any of Purchaser's other obligations hereunder;

(iii) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser; or

(iv) if Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to perform some other lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement and either (x) Sponsor has obtained an order of eviction against Purchaser from a court of competent jurisdiction or (y) Purchaser has vacated the Unit;

(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

(vi) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same within thirty (30) days.

(b) **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Balance and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Purchaser shall have thirty (30) days from the giving of the notice of such default to cure the specified default. If the default is not cured within such thirty (30) days, TIME BEING OF THE ESSENCE, then Sponsor, in its sole discretion, may thereupon cancel this Agreement. If Sponsor elects to cancel, this Agreement shall be deemed cancelled, and Sponsor, as its sole remedy, shall have the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and

[1] Omit if Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e. diplomatic or sovereign immunity).

of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for any of the proceeds of such sale.

(c) Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by a Purchaser hereunder, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

(d) NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THIS AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DEPOSIT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

13. Agreement Subject to Lien of Mortgage. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any money deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall continue to be subject and subordinate to the lien of any mortgage heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the fullest extent thereof, without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless, if Purchaser is obtaining financing on the Unit, Purchaser assumes such mortgages (at Sponsor's discretion). The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration, or the Unit is released from, or not subject to, the lien of such mortgage at closing (unless Purchaser has assumed the continuation of a mortgage lien encumbering such Unit as hereinabove described).

14. Agreement Subject to Plan Being Effective. The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest, if any, earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further

rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. **Sponsor's Inability to Convey the Unit**. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election not to cure such inability, and Purchaser is not in default hereunder, Purchaser's sole remedy shall 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 shall, within 30 days after receipt of notice of termination from Purchaser, return the Deposit to Purchaser, together with interest, if any, earned thereon. Upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan. The foregoing remedy must be exercised by written notice sent by Purchaser to Sponsor within ten days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the first remedy above to acquire title subject to such inability.

16. **Fixtures, Appliances and Personal Property**. Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in the sale of the Unit pursuant to this Agreement. No portion of the Purchase Price shall be attributable to such items.

17. **Renovation**.

17.1 The renovation of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (as defined in the Plan), subject to the right of Sponsor to amend the Plan and the Plans and Specifications in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a temporary or permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Plan in the Section entitled "Rights and Obligations of Sponsor."

17.2 The renovation of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Prerequisites to Closing of Title" in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without any credit against or abatement in the

Purchase Price and without any provision for escrow) once a temporary or permanent Certificate of Occupancy is issued for the Unit (notwithstanding any construction items noted on Purchaser's Inspection Statement (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligations under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not preventing Purchaser's occupancy of the Unit).

17.4 Sponsor has projected that, based upon currently anticipated schedules, renovation of the Building will be sufficiently completed to permit closings of Units to begin in or about July, 2007. The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of renovation and compliance with the other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of are hereby expressly waived by Purchaser.

18. Inspection of Unit. At least one week (but not more than one month) prior to the Closing Date, at Sponsor's direction, Sponsor's representative shall notify Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with Sponsor's representative to inspect the Unit within the week prior to the Closing Date. Purchaser or his or her duly authorized agent shall attend such inspection, shall carefully inspect the Unit, and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to Sponsor's representative at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within the week prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in "Rights and Obligations of Sponsor" in the Plan.

19. Damage to the Unit. If between the date of this Agreement and the closing of title, the Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title and the election by Sponsor to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and/or 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 or the termination of the Agreement.

19.2 In the event of damage to or destruction of the Unit by fire or other casualty prior to the closing of title and the election by Sponsor, with notice thereof to Purchaser, that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest, if any, earned thereon, and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages.

20. No Representations. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes of the Unit, the ability to rent the Unit and/or the rental income therefor, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented; Purchaser has relied solely on his or her 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. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans on file in Sponsor's office and [to be]* filed in the City Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 20 shall survive the closing of title or the termination of this Agreement.

21. Prohibition Against Advertising. Purchaser hereby covenants and agrees that it shall not, prior to the closing of title hereunder, list the Unit for sale or resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale. Any such listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives prior to the closing of title shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 12 hereof. The provisions of this Article 21 shall survive the closing of title or the termination of this Agreement.

22. Broker. Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than Selling Agent and _____. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than Selling Agent and the aforementioned broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker other than Selling Agent on account of any acts or dealings 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, but not limited to, reasonable legal fees and disbursements. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

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* Omit after Floor Plans have been filed in City Register's office.

23. **Agreement May Not Be Assigned.**

23.1 This Agreement, or any interest of Purchaser herein, shall not inure to the benefit of any successors or assigns of Purchaser and may not be assigned by Purchaser, without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement shall be an event of default by Purchaser entitling Sponsor to all remedies available at law, in equity or otherwise, including, without limitation, the remedies set forth in Article 12 hereof, and shall be voidable at the option of Sponsor.

23.2 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of less than fifty percent (50%) of the stock, or in the case of a partnership, limited liability company or other entity, less than fifty percent (50%) of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of all of the interests in such entity or possession of the power to direct the management and policies of such entity and the distribution of its profits.

23.3 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $850 made payable to Kramer Levin Naftalis & Frankel LLP (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 21 above and in the Plan will remain in effect.

23.4 Notwithstanding the provisions of Section 23.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all of Purchaser's rights under this Agreement to a Purchaser Affiliate or to member(s) of Purchaser's Immediate Family, provided that any such assignment is made without consideration and otherwise in accordance with the provisions and procedures set forth in Section 23.3 above. For purposes of this Section 23.4 only: (i) "Purchaser Affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing, controlled by or under common control with Purchaser; (ii) "Immediate Family Members" means Purchaser's spouse, domestic partner, children,

grandchildren, parents, grandparents, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

23.5 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

24. Binding Effect. The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Purchaser or Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the Initial Deposit to Sponsor, and a counterpart hereof executed by Sponsor has been delivered to Purchaser. If this Agreement is not signed by Sponsor and a fully executed counterpart delivered to Purchaser or its attorneys within thirty (30) days after the date hereof, this Agreement shall be deemed to have been rejected and the Initial Deposit shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, sexual orientation, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

25. Notices.

25.1 Any notice, election, demand, consent, request or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail, return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed: to Purchaser at the address given at the beginning of this Agreement; and to Sponsor, addressed to Sponsor at: 587 Fifth Avenue, 7th Floor, New York, New York 10017, with a copy sent simultaneously and in like manner to Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036, Attention: Jay A. Neveloff, Esq. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected or, in the case of mailing, three (3) days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

25.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel (Kramer Levin Naftalis & Frankel LLP) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

26. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

27. Liability of Sponsor. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general

shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

28. 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.

29. 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.

30. Strict Compliance. Any failure by either party hereto to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such other party.

31. No Lien. Neither this Agreement nor any monies deposited hereunder or expended by Purchaser in connection herewith shall constitute a lien against the Unit, any other Units, or any other portion of the Building or the Land upon which it is situated, and Purchaser may not record this Agreement or a memorandum thereof.

32. Governing Law. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

33. Purchaser's Representations.

33.1 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 Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Deposit represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Deposit.

33.2 Purchaser is not now, nor shall it be at any time prior to or at the closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not

transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser nor any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

33.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Seller the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

33.4 The provisions of this Article shall survive the closing of title to the Unit or termination of this Agreement.

34. 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 Article 3 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 the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, any change in Purchaser's financial status or condition, nor any delay in or adjournment of the Closing, shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

35. 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. The provisions of this Article shall survive closing of title or the termination of this Agreement.

36. Waiver of Jury Trial. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

37. Waiver of Diplomatic or Sovereign Immunity.

37.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or

proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

37.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

37.3 Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise in any suit, action or proceeding arising, directly or indirectly, out of relating to this Agreement, brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court; (ii) any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

37.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 37.

37.5 Nothing in this Article 37 shall affect the right of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

37.6 The provisions of this Article 37 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

37.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, 13th Floor, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

37.8 If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. 4305, Purchaser shall notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor shall not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the

Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the Department of State.

38. Entire Agreement. This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

39. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The term "herein," "hereof" or "hereunder," or similar terms used in this Agreement, refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

40. Captions. The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

41. Successors and Assigns. Subject to the provisions of Article 23 hereof, 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, or any provision hereof, cannot be orally changed, terminated or waived. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES AND WHICH REFERS TO THIS AGREEMENT.

43. Counterparts. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

44. Rule of Construction. There shall be no presumption against the drafter of this Agreement or the Plan.

45. Section 1031 Exchange. Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser (except as prohibited by paragraph 24 of this Agreement) may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement (and, among other things, Purchaser acknowledges that a fee may be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Purchaser (or any other party to such tax deferred exchange) or cooperation on the part of Sponsor in connection with or related to said tax deferred exchange will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or

increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees) or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of a Unit.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth hereinabove.

SPONSOR:

40 BROAD LLC

By:_____
Name:
Title:

PURCHASER(s):

By:_____
Name:
Title:
Social Sec. Number
or Federal Tax ID:_____

PURCHASER(s):

By:_____
Name:
Title:
Social Sec. Number
or Federal Tax ID:_____

Purchaser acknowledges receipt
of Offering Plan [and amendments]
on _____ __, 200__

Initials of Purchaser(s):

_____ _____

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building and zoning laws and other regulations, resolutions and ordinances (including, but not limited to, any variances or use regulations) and any amendments thereto now or hereafter adopted.

2. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the Condominium By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Board and the Floor Plans, all as may be amended from time to time.

3. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building or any portion or element thereof.

4. Consents by 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, connections and other equipment and facilities on, under and across the Property.

6. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

7. Any encumbrance as to which the Title Company (or the title insurance company that insures Purchaser's title to the Unit) would be willing to insure, at its regular rates and without additional premium, in a fee policy issued by it to Purchaser, that such encumbrance will not be collected out of or enforced against the Unit if it is a lien, or that such encumbrance is not a blanket lien encumbering the Common Elements.

8. 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 its permitted purposes.

9. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

10. Encroachments of trim, copings, retaining walls, stoops, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises 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.

11. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

12. The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.

13. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at the closing of title).

14. Franchise taxes and New York City Business Corporation taxes of any corporation in the chain of title, provided that the Title Company would be willing in a fee policy issued by it to Purchaser, to insure that such taxes will not be collected out of the Unit.

15. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company (or the title insurance company insuring Purchaser's title to the Unit).

16. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

17. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

18. Any violations against the Property (other than the Unit) that are the obligation of the Board or another Unit Owner to correct.

19. Survey made by Earl B. Lovell S.P. Belcher Inc. dated November 13, 1997, as updated by the test last visual examinated issued on July 11, 2005, by Earl B. Lovell – S.P. Belcher Inc. (the "Existing Survey"):

    1) No Variations in lot lines

    2) The southerly line of title reflects an "Old Party Wall". The present southerly independent wall of the described premises is north of the line of title on the south.

20. Any state of facts which an update of the Existing Survey or any other accurate survey or a personal inspection of the Property and the Unit would show; provided such state of facts would not prevent the use of the Unit for its stated purposes; although any encroachment of a portion of the Unit structure upon another Unit or Units or upon the Common Elements may remain undisturbed as long as the same shall stand.

21. Any additional title exceptions noted in the Specimen Title Policy set forth in Part II of the Offering Plan.

22. All other covenants, restrictions and matters of record.

SCHEDULE B

INSPECTION STATEMENT

, 200__

40 BROAD LLC
c/o Zamir Equities
587 Fifth Avenue, 7th Floor
New York, New York 10017

Re: Unit No._____
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

Gentlemen:

As a result of my/our final inspection, please be advised that except as otherwise noted, I/we found the following items in good condition, free of chips, mars, breaks or other defects:

Items	Initials	Exceptions if any
Windows, window frames		
Electric fixtures & globes		
Interior painted surfaces		
Sinks, tubs, bowls & shower doors & trim		
Kitchen cabinets & counter tops		
Vanity tops & base		
Medicine cabinets, doors & mirror		
Hardware		
Flooring		
Appliances		

I/we understand that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to my/our date of moving. I/we agree and I/we will sign off each item requiring adjustment or repairs as it is completed.

_____
Purchaser's Signature

_____
Purchaser's Signature

_____
Sponsor's Representative

EXHIBIT 1A

REQUEST FOR TAXPAYER IDENTIFICATION NUMBER (W-9)

Form **W-9**
(Rev. January 2005)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ ..... ☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.) | Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. *If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.*

Social security number
			–					

or

Employer identification number
			–					

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here Signature of U.S. person ▶ Date ▶

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note. *If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.*

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or

3. The IRS tells the requester that you furnished an incorrect TIN, or

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over $600 required to be reported and direct sales over $5,000 [1]	Generally, exempt recipients 1 through 7 [2]

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at *www.socialsecurity.gov/online/ss-5.pdf*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses/* and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting *www.irs.gov* or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5. Sole proprietorship or single-owner LLC	The owner [3]
For this type of account:	**Give name and EIN of:**
6. Sole proprietorship or single-owner LLC	The owner [3]
7. A valid trust, estate, or pension trust	Legal entity [4]
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

[4] List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

EXHIBIT 1B

CERTIFICATE OF FOREIGN STATUS (W-8BEN)

Form **W-8BEN**
(Rev. December 2000)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for: **Instead, use Form:**

- A U.S. citizen or other U.S. person, including a resident alien individual W-9
- A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . W-8ECI or W-8EXP

Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

- A person acting as an intermediary W-8IMY

Note: *See instructions for additional exceptions.*

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of ..... within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article ..... of the treaty identified on line 9a above to claim a ..... % rate of withholding on (specify type of income): .....

Explain the reasons the beneficial owner meets the terms of the treaty article: .....

.....

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,
- The beneficial owner is not a U.S. person,
- The income to which this form relates is not effectively connected with the conduct of a trade or business in the United States or is effectively connected but is not subject to tax under an income tax treaty, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ _____ _____ _____
Signature of beneficial owner (or individual authorized to sign for beneficial owner) | Date (MM-DD-YYYY) | Capacity in which acting

Instructions for Form W-8BEN

(Rev. January 2003)

Department of the Treasury
Internal Revenue Service

(Use with the December 2000 revision of Form W-8BEN.)

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Note: *For definitions of terms used throughout these instructions, see* ***Definitions*** *on pages 2 and 3.*

A change to note. We added **Nonresident alien who becomes a resident alien** to the instructions for line 10 on page 5. This new section requires the use of Form W-9 in certain circumstances. See page 5 for details.

Purpose of form. Foreign persons are subject to U.S. tax at a 30% rate on income they receive from U.S. sources that consists of:

- Interest (including certain original issue discount (OID));
- Dividends;
- Rents;
- Royalties;
- Premiums;
- Annuities;
- Compensation for, or in expectation of, services performed;
- Substitute payments in a securities lending transaction; or
- Other fixed or determinable annual or periodical gains, profits, or income.

This tax is imposed on the gross amount paid and is generally collected by withholding on that amount. A payment is considered to have been made whether it is made directly to the beneficial owner or to another person, such as an intermediary, agent, or partnership, for the benefit of the beneficial owner.

If you receive certain types of income, you must provide Form W-8BEN to:

- Establish that you are not a U.S. person;
- Claim that you are the beneficial owner of the income for which Form W-8BEN is being provided; and
- If applicable, claim a reduced rate of, or exemption from, withholding as a resident of a foreign country with which the United States has an income tax treaty.

You may also be required to submit Form W-8BEN to claim an exception from domestic information reporting and backup withholding for certain types of income that are not subject to foreign-person withholding. Such income includes:

- Broker proceeds.
- Short-term (183 days or less) original issue discount (OID).
- Bank deposit interest.
- Foreign source interest, dividends, rents, or royalties.
- Proceeds from a wager placed by a nonresident alien individual in the games of blackjack, baccarat, craps, roulette, or big-6 wheel.

You may also use Form W-8BEN to certify that income from a notional principal contract is not effectively connected with the conduct of a trade or business in the United States.

A withholding agent or payer of the income may rely on a properly completed Form W-8BEN to treat a payment associated with the Form W-8BEN as a payment to a foreign person who beneficially owns the amounts paid. If applicable, the withholding agent may rely on the Form W-8BEN to apply a reduced rate of withholding at source.

Provide Form W-8BEN to the withholding agent or payer before income is paid or credited to you. Failure to provide a Form W-8BEN when requested may lead to withholding at a 30% rate (foreign-person withholding) or the backup withholding rate.

Note: *For additional information and instructions for the withholding agent, see the* ***Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY.***

Who must file. You must give Form W-8BEN to the withholding agent or payer if you are a foreign person and you are the beneficial owner of an amount subject to withholding. Submit Form W-8BEN when requested by the withholding agent or payer whether or not you are claiming a reduced rate of, or exemption from, withholding.

Do not use Form W-8BEN if:

- You are a U.S. citizen (even if you reside outside the United States) or other U.S. person (including a resident alien individual). Instead, use **Form W-9,** Request for Taxpayer Identification Number and Certification.
- You are a disregarded entity with a single owner that is a U.S. person and you are not a hybrid entity claiming treaty benefits. Instead, provide Form W-9.
- You are a nonresident alien individual who claims exemption from withholding on compensation for independent or dependent personal services performed in the United States. Instead, provide **Form 8233,** Exemption from Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual, or **Form W-4,** Employee's Withholding Allowance Certificate.
- You are receiving income that is effectively connected with the conduct of a trade or business in the United

States. Instead, provide **Form W-8ECI,** Certificate of Foreign Person's Claim for Exemption From Withholding on Income Effectively Connected With the Conduct of a Trade or Business in the United States. If any of the income for which you have provided a Form W-8BEN becomes effectively connected, this is a change in circumstances and Form W-8BEN is no longer valid. You must file Form W-8ECI. See **Change in circumstances** below.

- You are filing for a foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming the applicability of section 115(2), 501(c), 892, 895, or 1443(b). Instead, provide **Form W-8EXP,** Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding. However, you should use Form W-8BEN if you are claiming treaty benefits or are providing the form only to claim you are a foreign person exempt from backup withholding. You should use Form W-8ECI if you received effectively connected income (for example, income from commercial activities).
- You are a foreign flow-through entity, other than a hybrid entity, claiming treaty benefits. Instead, provide **Form W-8IMY,** Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding. However, if you are a partner, beneficiary, or owner of a flow-through entity and you are not yourself a flow-through entity, you may be required to furnish a Form W-8BEN to the flow-through entity.
- You are a reverse hybrid entity transmitting beneficial owner documentation provided by your interest holders to claim treaty benefits on their behalf. Instead, provide Form W-8IMY.
- You are a withholding foreign partnership or a withholding foreign trust. A withholding foreign partnership or a withholding foreign trust is a foreign partnership or trust that has entered into a withholding agreement with the IRS under which it agrees to assume primary withholding responsibility for each partner's, beneficary's, or owner's distributive share of income subject to withholding that is paid to the partnership or trust. Instead, provide Form W-8IMY.
- You are acting as an intermediary (that is, acting not for your own account, but for the account of others as an agent, nominee, or custodian). Instead, provide Form W-8IMY.

Giving Form W-8BEN to the withholding agent. Do not send Form W-8BEN to the IRS. Instead, give it to the person who is requesting it from you. Generally, this will be the person from whom you receive the payment or who credits your account. Give Form W-8BEN to the person requesting it before the payment is made to you or credited to your account. If you do not provide this form, the withholding agent may have to withhold at a 30% rate (foreign-person withholding) or backup withholding rate. If you receive more than one type of income from a single withholding agent for which you claim different benefits, the withholding agent may, at its option, require you to submit a Form W-8BEN for each different type of income. Generally, a separate Form W-8BEN must be given to each withholding agent.

Note: *If you own the income or account jointly with one or more other persons, the income or account will be treated by the withholding agent as owned by a foreign person if Forms W-8BEN are provided by all of the owners. If the withholding agent receives a Form W-9 from any of the joint owners, the payment must be treated as made to a U.S. person.*

Change in circumstances. If a change in circumstances makes any information on the Form W-8BEN you have submitted incorrect, you must notify the withholding agent or payer within 30 days of the change in circumstances and you **must** file a new Form W-8BEN or other appropriate form.

If you use Form W-8BEN to certify that you are a foreign person, a change of address to an address in the United States is a change in circumstances. Generally, a change of address within the same foreign country or to another foreign country is not a change in circumstances. However, if you use Form W-8BEN to claim treaty benefits, a move to the United States or outside the country where you have been claiming treaty benefits is a change in circumstances. In that case, you must notify the withholding agent or payer within 30 days of the move.

If you become a U.S. citizen or resident after you submit Form W-8BEN, you are no longer subject to the 30% foreign-person withholding rate. You must notify the withholding agent or payer within 30 days of becoming a U.S. citizen or resident. You may be required to provide a Form W-9. For more information, see Form W-9 and instructions.

Expiration of Form W-8BEN. Generally, a Form W-8BEN provided without a U.S. taxpayer identification number (TIN) will remain in effect for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect. For example, a Form W-8BEN signed on September 30, 2003, remains valid through December 31, 2006. A Form W-8BEN furnished with a U.S. TIN will remain in effect until a change in circumstances makes any information on the form incorrect, provided that the withholding agent reports on Form 1042-S at least one payment annually to the beneficial owner who provided the Form W-8BEN. See the instructions for line 6 on page 4 for circumstances under which you **must** provide a U.S. TIN.

Definitions

Beneficial owner. For payments other than those for which a reduced rate of withholding is claimed under an income tax treaty, the beneficial owner of income is generally the person who is required under U.S. tax principles to include the income in gross income on a tax return. A person is not a beneficial owner of income, however, to the extent that person is receiving the income as a nominee, agent, or custodian, or to the extent the person is a conduit whose participation in a transaction is disregarded. In the case of amounts paid that do not constitute income, beneficial ownership is determined as if the payment were income.

Foreign partnerships, foreign simple trusts, and foreign grantor trusts are not the beneficial owners of income paid to the partnership or trust. The beneficial owners of income paid to a foreign partnership are generally the

partners in the partnership, provided that the partner is not itself a partnership, foreign simple or grantor trust, nominee or other agent. The beneficial owners of income paid to a foreign simple trust (that is, a foreign trust that is described in section 651(a)) are generally the beneficiaries of the trust, if the beneficiary is not a foreign partnership, foreign simple or grantor trust, nominee or other agent. The beneficial owners of a foreign grantor trust (that is, a foreign trust to the extent that all or a portion of the income of the trust is treated as owned by the grantor or another person under sections 671 through 679) are the persons treated as the owners of the trust. The beneficial owners of income paid to a foreign complex trust (that is, a foreign trust that is not a foreign simple trust or foreign grantor trust) is the trust itself.

The beneficial owner of income paid to a foreign estate is the estate itself.

Note: *A payment to a U.S. partnership, U.S. trust, or U.S. estate is treated as a payment to a U.S. payee that is not subject to 30% foreign-person withholding. A U.S. partnership, trust, or estate should provide the withholding agent with a Form W-9.*

Foreign person. A foreign person includes a nonresident alien individual, a foreign corporation, a foreign partnership, a foreign trust, a foreign estate, and any other person that is not a U.S. person. It also includes a foreign branch or office of a U.S. financial institution or U.S. clearing organization if the foreign branch is a qualified intermediary. Generally, a payment to a U.S. branch of a foreign person is a payment to a foreign person.

Nonresident alien individual. Any individual who is not a citizen or resident of the United States is a nonresident alien individual. An alien individual meeting either the "green card test" or the "substantial presence test" for the calendar year is a resident alien. Any person not meeting either test is a nonresident alien individual. Additionally, an alien individual who is a resident of a foreign country under the residence article of an income tax treaty, or an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa is a nonresident alien individual. See **Pub. 519,** U.S. Tax Guide for Aliens, for more information on resident and nonresident alien status.

Note: *Even though a nonresident alien individual married to a U.S. citizen or resident alien may choose to be treated as a resident alien for certain purposes (for example, filing a joint income tax return), such individual is still treated as a nonresident alien for withholding tax purposes on all income except wages.*

Flow-through entity. A flow-through entity is a foreign partnership (other than a withholding foreign partnership), a foreign simple or foreign grantor trust (other than a withholding foreign trust), or, for payments for which a reduced rate of withholding is claimed under an income tax treaty, any entity to the extent the entity is considered to be fiscally transparent (see below) with respect to the payment by an interest holder's jurisdiction.

Hybrid entity. A hybrid entity is any person (other than an individual) that is treated as fiscally transparent (see below) in the United States but is not treated as fiscally transparent by a country with which the United States has an income tax treaty. Hybrid entity status is relevant for claiming treaty benefits. See the instructions for line 9c on page 5.

Reverse hybrid entity. A reverse hybrid entity is any person (other than an individual) that is not fiscally transparent under U.S. tax law principles but that is fiscally transparent under the laws of a jurisdiction with which the United States has an income tax treaty. See the instructions for line 9c on page 5.

Fiscally transparent entity. An entity is treated as fiscally transparent with respect to an item of income for which treaty benefits are claimed to the extent that the interest holders in the entity must, on a current basis, take into account separately their shares of an item of income paid to the entity, whether or not distributed, and must determine the character of the items of income as if they were realized directly from the sources from which realized by the entity. For example, partnerships, common trust funds, and simple trusts or grantor trusts are generally considered to be fiscally transparent with respect to items of income received by them.

Disregarded entity. A business entity that has a single owner and is not a corporation under Regulations section 301.7701-2(b) is disregarded as an entity separate from its owner.

Amounts subject to withholding. Generally, an amount subject to withholding is an amount from sources within the United States that is fixed or determinable annual or periodical (FDAP) income. FDAP income is all income included in gross income, including interest (as well as OID), dividends, rents, royalties, and compensation. FDAP income does not include most gains from the sale of property (including market discount and option premiums).

Withholding agent. Any person, U.S. or foreign, that has control, receipt, or custody of an amount subject to withholding or who can disburse or make payments of an amount subject to withholding is a withholding agent. The withholding agent may be an individual, corporation, partnership, trust, association, or any other entity, including (but not limited to) any foreign intermediary, foreign partnership, and U.S. branches of certain foreign banks and insurance companies. Generally, the person who pays (or causes to be paid) the amount subject to withholding to the foreign person (or to its agent) must withhold.

Specific Instructions

Note: *A hybrid entity should give Form W-8BEN to a withholding agent only for income for which it is claiming a reduced rate of withholding under an income tax treaty. A reverse hybrid entity should give Form W-8BEN to a withholding agent only for income for which* ***no*** *treaty benefit is being claimed.*

Part I

Line 1. Enter your name. If you are a disregarded entity with a single owner who is a foreign person and you are not claiming treaty benefits as a hybrid entity, this form should be completed and signed by your foreign single owner. If the account to which a payment is made or credited is in the name of the disregarded entity, the

foreign single owner should inform the withholding agent of this fact. This may be done by including the name and account number of the disregarded entity on line 8 (reference number) of the form. However, if you are a disregarded entity that is claiming treaty benefits as a hybrid entity, this form should be completed and signed by you.

Line 2. If you are a corporation, enter the country of incorporation. If you are another type of entity, enter the country under whose laws you are created, organized, or governed. If you are an individual, enter N/A (for "not applicable").

Line 3. Check the **one** box that applies. By checking a box, you are representing that you qualify for this classification. You must check the box that represents your classification (for example, corporation, partnership, trust, estate, etc.) under U.S. tax principles. **Do not** check the box that describes your status under the law of the treaty country. If you are a partnership or disregarded entity receiving a payment for which treaty benefits are being claimed, you **must** check the "Partnership" or "Disregarded entity" box. If you are a sole proprietor, check the "Individual" box, not the "Disregarded entity" box.

CAUTION *Only entities that are tax-exempt under section 501 should check the "Tax-exempt organizations" box. Such organizations should use Form W-8BEN only if they are claiming a reduced rate of withholding under an income tax treaty or some code exception other than section 501. Use Form W-8EXP if you are claiming an exemption from withholding under section 501.*

Line 4. Your permanent residence address is the address in the country where you claim to be a resident for purposes of that country's income tax. If you are giving Form W-8BEN to claim a reduced rate of withholding under an income tax treaty, you must determine your residency in the manner required by the treaty. **Do not** show the address of a financial institution, a post office box, or an address used solely for mailing purposes. If you are an individual who does not have a tax residence in any country, your permanent residence is where you normally reside. If you are not an individual and you do not have a tax residence in any country, the permanent residence address is where you maintain your principal office.

Line 5. Enter your mailing address only if it is different from the address you show on line 4.

Line 6. If you are an individual, you are generally required to enter your social security number (SSN). To apply for an SSN, get **Form SS-5** from a Social Security Administration (SSA) office or, if in the United States, you may call the SSA at 1-800-772-1213. Fill in Form SS-5 and return it to the SSA.

If you do not have an SSN and are not eligible to get one, you must get an individual taxpayer identification number (ITIN). **To apply for an ITIN,** file **Form W-7** with the IRS. It usually takes 4-6 weeks to get an ITIN.

Note: *An ITIN is for tax use only. It does not entitle you to social security benefits or change your employment or immigration status under U.S. law.*

If you are not an individual or you are an individual who is an employer or who is engaged in a U.S. trade or business as a sole proprietor, you must enter an employer identification number (EIN). If you do not have an EIN, you should apply for one on **Form SS-4,** Application for Employer Identification Number. If you are a disregarded entity claiming treaty benefits as a hybrid entity, enter **your** EIN.

You **must** provide a U.S. taxpayer identification number (TIN) if you are:

1. Claiming an exemption from withholding under section 871(f) for certain annuities received under qualified plans, or
2. A foreign grantor trust with 5 or fewer grantors, or
3. Claiming benefits under an income tax treaty.

However, a U.S. TIN is not required to be shown in order to claim treaty benefits on the following items of income:

- Dividends and interest from stocks and debt obligations that are actively traded;
- Dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund);
- Dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were upon issuance) publicly offered and are registered with the SEC under the Securities Act of 1933; and
- Income related to loans of any of the above securities.

Note: *You may want to obtain and provide a U.S. TIN on Form W-8BEN even though it is not required. A Form W-8BEN containing a U.S. TIN remains valid for as long as your status and the information relevant to the certifications you make on the form remain unchanged provided at least one payment is reported to you annually on Form 1042-S.*

Line 7. If your country of residence for tax purposes has issued you a tax identifying number, enter it here. For example, if you are a resident of Canada, enter your Social Insurance Number.

Line 8. This line may be used by the filer of Form W-8BEN or by the withholding agent to whom it is provided to include any referencing information that is useful to the withholding agent in carrying out its obligations. For example, withholding agents who are required to associate the Form W-8BEN with a particular Form W-8IMY may want to use line 8 for a referencing number or code that will make the association clear. A beneficial owner may use line 8 to include the number of the account for which he or she is providing the form. A foreign single owner of a disregarded entity may use line 8 to inform the withholding agent that the account to which a payment is made or credited is in the name of the disregarded entity (see instructions for line 1 starting on page 3).

Part II

Line 9a. Enter the country where you claim to be a resident for income tax treaty purposes. For treaty purposes, a person is a resident of a treaty country if the person is a resident of that country under the terms of the treaty.

Line 9b. If you are claiming benefits under an income tax treaty, you must have a U.S. TIN unless one of the exceptions listed in the line 6 instructions above applies.

Line 9c. An entity (but not an individual) that is claiming a reduced rate of withholding under an income tax treaty must represent that it **(a)** derives the item of income for which the treaty benefit is claimed and **(b)** meets the limitation on benefits provisions contained in the treaty, if any.

An item of income may be derived by either the entity receiving the item of income or by the interest holders in the entity or, in certain circumstances, both. An item of income paid to an entity is considered to be derived by the entity only if the entity is not fiscally transparent under the laws of the entity's jurisdiction with respect to the item of income. An item of income paid to an entity shall be considered to be derived by the interest holder in the entity only if **(a)** the interest holder is not fiscally transparent in its jurisdiction with respect to the item of income and **(b)** the entity is considered to be fiscally transparent under the laws of the interest holder's jurisdiction with respect to the item of income. An item of income paid directly to a type of entity specifically identified in a treaty as a resident of a treaty jurisdiction is treated as derived by a resident of that treaty jurisdiction.

If an entity is claiming treaty benefits on its own behalf, it should complete Form W-8BEN. If an interest holder in an entity that is considered fiscally transparent in the interest holder's jurisdiction is claiming a treaty benefit, the interest holder should complete Form W-8BEN on its own behalf and the fiscally transparent entity should associate the interest holder's Form W-8BEN with a Form W-8IMY completed by the entity.

Note: *An income tax treaty may not apply to reduce the amount of any tax on an item of income received by an entity that is treated as a domestic corporation for U.S. tax purposes. Therefore, neither the domestic corporation nor its shareholders are entitled to the benefits of a reduction of U.S. income tax on an item of income received from U.S. sources by the corporation.*

To determine whether an entity meets the limitation on benefits provisions of a treaty, you must consult the specific provisions or articles under the treaties. Income tax treaties are available on the IRS Web Site at **www.irs.gov**.

Note: *If you are an entity that derives the income as a resident of a treaty country, you may check this box if the applicable income tax treaty does not contain a "limitation on benefits" provision.*

Line 9d. If you are a foreign corporation claiming treaty benefits under an income tax treaty that entered into force before January 1, 1987 (and has not been renegotiated) on **(a)** U.S. source dividends paid to you by another foreign corporation or **(b)** U.S. source interest paid to you by a U.S. trade or business of another foreign corporation, you must generally be a "qualified resident" of a treaty country. See section 884 for the definition of interest paid by a U.S. trade or business of a foreign corporation ("branch interest") and other applicable rules.

In general, a foreign corporation is a qualified resident of a country if one or more of the following applies:

- It meets a 50% ownership and base erosion test.
- It is primarily and regularly traded on an established securities market in its country of residence or the United States.
- It carries on an active trade or business in its country of residence.
- It gets a ruling from the IRS that it is a qualified resident.

See Regulations section 1.884-5 for the requirements that must be met to satisfy each of these tests.



If you are claiming treaty benefits under an income tax treaty entered into force after December 31, 1986, ***do not*** *check box 9d. Instead, check box 9c.*

Line 9e. Check this box if you are related to the withholding agent within the meaning of section 267(b) or 707(b) and the aggregate amount subject to withholding received during the calendar year exceeds $500,000. Additionally, you must file **Form 8833,** Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b).

Line 10

Line 10 must be used **only** if you are claiming treaty benefits that require that you meet conditions not covered by the representations you make in lines 9a through 9e. However, this line should always be completed by foreign students and researchers claiming treaty benefits. See **Scholarship and fellowship grants** below for more information.

Additional examples of persons who should complete this line are:

1. Exempt organizations claiming treaty benefits under the exempt organization articles of the treaties with Canada, Mexico, Germany, and the Netherlands.
2. Foreign corporations that are claiming a preferential rate applicable to dividends based on ownership of a specific percentage of stock.
3. Persons claiming treaty benefits on royalties if the treaty contains different withholding rates for different types of royalties.

This line is generally not applicable to claiming treaty benefits under an interest or dividends (other than dividends subject to a preferential rate based on ownership) article of a treaty.

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. The individual must use Form W-9 to claim the tax treaty benefit. See the instructions for Form W-9 for more information. Also see **Nonresident alien student or researcher who becomes a resident alien** on page 6 for an example.

Scholarship and fellowship grants. A nonresident alien student (including a trainee or business apprentice) or researcher who receives noncompensatory scholarship or fellowship income may use Form W-8BEN to claim benefits under a tax treaty that apply to reduce or eliminate U.S. tax on such income. **No Form W-8BEN is required unless a treaty benefit is being claimed.** A nonresident alien student or researcher who receives compensatory scholarship or fellowship income must use

Form 8233 to claim any benefits of a tax treaty that apply to that income. The student or researcher must use Form W-4 for any part of such income for which he or she is not claiming a tax treaty withholding exemption. **Do not** use Form W-8BEN for compensatory scholarship or fellowship income. See **Compensation for Dependent Personal Services** in the Instructions for Form 8233.

Note: *If you are a nonresident alien individual who received noncompensatory scholarship or fellowship income and personal services income (including compensatory scholarship or fellowship income)* ***from the same withholding agent,*** *you may use Form 8233 to claim a tax treaty withholding exemption for part or all of* ***both*** *types of income.*

Completing lines 4 and 9a. Most tax treaties that contain an article exempting scholarship or fellowship grant income from taxation require that the recipient be a resident of the other treaty country at the time of, or immediately prior to, entry into the United States. Thus, a student or researcher may claim the exemption even if he or she no longer has a permanent address in the other treaty country after entry into the United States. If this is the case, you may provide a U.S. address on line 4 and still be eligible for the exemption if all other conditions required by the tax treaty are met. You must also identify on line 9a the tax treaty country of which you were a resident at the time of, or immediately prior to, your entry into the United States.

Completing line 10. You must complete line 10 if you are a student or researcher claiming an exemption from taxation on your scholarship or fellowship grant income under a tax treaty.

Nonresident alien student or researcher who becomes a resident alien. You must use Form W-9 to claim an exception to a saving clause. See **Nonresident alien who becomes a resident alien** on page 5 for a general explanation of saving clauses and exceptions to them.

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 complete Form W-9.

Part III

If you check this box, you must provide the withholding agent with the required statement for income from a notional principal contract that is to be treated as income not effectively connected with the conduct of a trade or business in the United States. You should update this statement as often as necessary. A new Form W-8BEN is not required for each update provided the form otherwise remains valid.

Part IV

Form W-8BEN must be signed and dated by the beneficial owner of the income, or, if the beneficial owner is not an individual, by an authorized representative or officer of the beneficial owner. If Form W-8BEN is completed by an agent acting under a duly authorized power of attorney, the form must be accompanied by the power of attorney in proper form or a copy thereof specifically authorizing the agent to represent the principal in making, executing, and presenting the form. **Form 2848,** Power of Attorney and Declaration of Representative, may be used for this purpose. The agent, as well as the beneficial owner, may incur liability for the penalties provided for an erroneous, false, or fraudulent form.

Broker transactions or barter exchanges. Income from transactions with a broker or a barter exchange is subject to reporting rules and backup withholding unless Form W-8BEN or a substitute form is filed to notify the broker or barter exchange that you are an exempt foreign person.

You are an exempt foreign person for a calendar year in which: **(a)** you are a nonresident alien individual or a foreign corporation, partnership, estate, or trust; **(b)** you are an individual who has not been, and does not plan to be, present in the United States for a total of 183 days or more during the calendar year; and **(c)** you are neither engaged, nor plan to be engaged during the year, in a U.S. trade or business that has effectively connected gains from transactions with a broker or barter exchange.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping,** 5 hr., 58 min.; **Learning about the law or the form,** 3 hr., 46 min.; **Preparing and sending the form to IRS,** 4 hr., 2 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send Form W-8BEN to this office. Instead, give it to your withholding agent.

EXHIBIT 2

UNIT OWNER POWER OF ATTORNEY

UNIT OWNER'S
POWER OF ATTORNEY

_____

to

THE BOARD MANAGERS OF
THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

The Setai Condominium Residences at 40 Broad Street
40 Broad Street
New York, New York 10004
Unit No. _____

County: New York
Block: 24
Lot: ____

Record and Return to:

Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036
Attention: Jay A. Neveloff, Esq.

UNIT OWNER'S
POWER OF ATTORNEY

All terms used in this Unit Owner's Power of Attorney that are used in that certain Declaration, dated as of _____, 200__, by 40 BROAD, LLC pursuant to Article 9-B of the Real Property Law of the State of New York, establishing condominium ownership of the premises known as The Setai Condominium Residences at 40 Broad Street, 40 Broad Street, New York, New York 10004 (hereinafter called the "**Condominium**"), which Declaration was recorded in the New York County Office of the Register of the City of New York (hereinafter called the "**Register's Office**") on _____, 200__, in Reel _____, at page _____ (as the same may have been amended, hereinafter called the "**Declaration**"), shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration.

The undersigned: _____, having an office/residing at: _____, the owner of the condominium unit (hereinafter called the "**Unit**") known as Unit No. _____ at the Condominium, said Unit(s) being so designated and described in the Declaration and also designated as Tax Lot _____ in Block 24 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of the City of New York and on the Floor Plans of the Condominium certified by Avinash K. Malhotra Architects on _____, 200__, and filed with the Real Property Assessment Bureau of the City of New York on _____, 200__, as Condominium Plan No. _____ and also filed in the Register's Office on _____, 200__, as Condominium Plan No. _____, [does/do] hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute:

(A) the board of managers of the Condominium (the "**Board**"), jointly 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 Board, or in the name of their designee (corporate or otherwise), but subject in all respects to the provisions of the Declaration and the By-Laws (collectively, the "**Condominium Documents**"), then in effect, to:

(i) acquire in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, title to any Unit, together with its appurtenant Common Interest:

(a) in connection with the enforcement of the Board's lien for unpaid Common Charges;

(b) whose owner desires to surrender the same pursuant to Section 6.2.2 of the By-Laws;

(c) that becomes the subject of a foreclosure or other similar sale; or

(d) for the use and occupancy of a superintendent or resident building manager;

on such terms, including, without limitation, price (with respect to subdivisions (c) or (d) above) as said attorneys-in-fact shall deem proper;

(ii) acquire or lease in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, any Unit, together with its appurtenant Common Interest, from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, on such terms and conditions as said attorneys-in-fact shall deem proper;

(iii) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest appurtenant to) any Unit so acquired or to sublease any Unit so leased by them, without the necessity of any authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in and to said Unit which the undersigned could do if personally present; and

(iv) execute, acknowledge, deliver and (if determined to be necessary or desirable by said attorneys-in-fact) cause to be recorded in the City Register's Office:

(a) any declaration or other instrument affecting the Condominium that the 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 (including, without limitation Chapter 3 of Title 25 of the New York City Administrative Code) applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium; or

(b) following due authorization by any affected Unit Owner(s) to the extent required in the Condominium Documents, any consent, covenant, restriction, easement or declaration, or amendment thereto, affecting the Condominium or any of the Common Elements, in each case that the Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable; and

IN WITNESS WHEREOF, the undersigned (has) (have) executed this Unit Owner's Power of Attorney as of the ____ day of _____, 200__.

_____

_____

STATE OF _____)
) ss.:
COUNTY OF _____)

On the __ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF _____)
) ss.:
COUNTY OF _____)

On the __ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument, and that such individual made such appearance before the undersigned in the City of _____, County of _____ and State of _____.

_____
Notary Public

EXHIBIT 3

UNIT DEED

CONDOMINIUM UNIT DEED

40 BROAD LLC

TO

_____

THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET
40 Broad Street
New York, New York 10004
Unit _____

County: New York
Block: 24
Lot: _____

Record and Return to:

CONDOMINIUM UNIT DEED

THIS INDENTURE is made the ___ day of _____, 200 , by and between **40 BROAD LLC**, a limited liability company, having an address at 587 Fifth Avenue, New York, New York 10017 (hereinafter called "**Grantor**") and _____, having an address at _____ (hereinafter called "**Grantee**").

W I T N E S S E T H:

That Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by Grantee, the receipt and sufficiency of which are hereby acknowledged, does hereby grant and release unto Grantee, and the heirs or successors and assigns of Grantee, forever:

The Condominium Unit (hereinafter called the "**Unit**") in the building (hereinafter called the "**Building**") known as THE SETAI CONDOMINUM RESIDENCES at 40 BROAD STREET and by the street address 40 Broad Street, New York, New York 10004, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit _____ in that certain declaration, dated as of _____, 200__ , made by Grantor, Declarant, pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter called the "**Condominium Act**") establishing condominium ownership of the Building and the land (hereinafter called the "**Land**") upon which the Building is situate (which Land is more particularly described in Schedule A annexed hereto and by this reference made a part hereof), which declaration was recorded in the New York County Office of the Register of The City of New York (the **"City Register's Office"**) on _____, 200__, as CRFN _____ (which declaration, and any amendments thereto, are hereinafter collectively called the "**Declaration**"). The Unit is also designated as Tax Lot ___in Block 24 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of The City of New York and on the Floor Plans of the Building certified by Avinash K. Malhotra Architects on _____, 200__, and filed with the Real Property Assessment Bureau of The City of New York on _____, 200__, as Condominium Plan No. ___ and also filed in the City Register's Office on _____, 200__, as Condominium Plan No. ___;

together with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration) of THE SETAI CONDOMINUM RESIDENCES at 40 BROAD STREET;

together with the appurtenances and all the estate and rights of Grantor in and to the Unit;

together with, and subject to, all of the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and By-Laws of THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET, as each of the same may be amended from time to time (said By-Laws and any amendments thereto are hereinafter collectively called the "**By-Laws**"), including, without limitation, the restrictions and other provisions with respect to the permitted uses of the Unit; 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; subject also to such other liens, agreements, covenants, easements, restrictions, consents, other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively called the "**Property**") as more particularly described in Schedule B annexed hereto and by this reference made a part hereof.

TO HAVE AND TO HOLD the same unto Grantee, and the heirs or successors and assigns of 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 that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 18 of the Declaration shall control.

Grantor covenants that Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Offering Plan and the Purchase Agreement (each as defined in the By-Laws), and the Declaration and By-Laws. This covenant is for the personal benefit of Grantee only and cannot be assigned to, exercised by, or inure to the benefit of any other person or entity, including, without limitation, any insurer of Grantee's title or successor to Grantee's interest.

In the event of a claimed breach of any covenant of Grantor contained in the preceding paragraph, Grantee shall first seek recovery against Grantee's title insurer before proceeding against Grantor for any breach of such covenants, it being agreed that the liability of Grantor shall be limited to the extent only that any loss or damage shall not be covered by such title insurance. In the event that Grantee shall elect not to purchase title insurance, then the liability of Grantor shall be limited to the extent only that any loss or damage would not have been covered by the title insurance that was available to Grantee as of the date of this conveyance. The terms of any marked-up title binder issued by any title insurer that is a member of the New York State Land Title Association, Inc. in connection with any unit in the Building shall be conclusive evidence against Grantee of the title insurance coverage that was available to Grantee as of the date of this conveyance.

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that Grantor will receive the consideration for this conveyance, and will hold the right to receive such consideration, as a trust fund for the purpose of paying the cost of the improvements at the Property required to be made by Grantor and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other purposes.

Grantee hereby 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, including, without limitation, all the terms and provisions with respect to the permitted uses of the Unit.

This conveyance is made in the regular course of business actually conducted by Grantor. The Unit is not subject to a credit line mortgage.

The term "**Grantee**" shall be read as "**Grantees**" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, Grantor and Grantee have duly executed this indenture as of the day and year first above written.

GRANTOR:

40 BROAD LLC, a limited liability company

By:_____
Name:
Title:

GRANTEE:

_____
(Purchaser's Signature)

STATE OF NEW YORK)
) ss..
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 200__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss..
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 200__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SCHEDULE A
Description of the Land

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point in the easterly line of New Street, distant 87 feet 11 5/8 inches southerly from the corner formed by the intersection of the southerly line of Exchange Place with the easterly line of New Street;

RUNNING THENCE easterly along a line forming an angle of 79 degrees 52 minutes 50 seconds on its southerly side with the easterly line of New Street, said line being along the southerly face of the southerly wall of the building on premises adjoining to the north, 43 feet 4 3/8 inches;

THENCE still easterly along a line forming an angle of 179 degrees 20 minutes 05 seconds on its northerly side with the preceding course, said line being along the southerly face of the southerly wall of the building on premises adjoining to the north, 102 feet 7½ inches to the westerly line of Broad Street;

THENCE southerly along the westerly line of Broad Street, 40 feet 6¼ inches to an angle point therein;

THENCE still southerly along the westerly line of Broad Street forming an angle of 183 degrees 02 minutes 25 seconds on its westerly side with the preceding course, 41 feet 5¼ inches;

THENCE westerly along a line forming an angle of 89 degrees 51 minutes 10 seconds on its northerly side with the preceding course and through an old party wall, 84 feet 5¼ inches;

THENCE still westerly along a line forming an angle of 186 degrees 20 minutes 40 seconds on its southerly side with the preceding course and part of the way through said old party wall, 74 feet 3½ inches to easterly line of New Street; and

THENCE northerly along the easterly line of New Street, 126 feet 4 7/8 inches to the point or place of BEGINNING.

TOGETHER WITH the benefits of that certain Air Shaft Agreement made by and among Broad Street Realty, Inc., as former owner of the Land, Dixon International Holdings (U.S.A.), Inc., and Tulabro Realty Corporation N.V. and Carlyle Real Estate Limited Partnership XI, dated May 25, 1982, recorded June 3, 1982 in Reel 624 page 1610, as modified by Modification of Air Shaft Agreement made by and among Broad Street Realty, Inc., Dixon International Holdings (U.S.A.), Inc., and Tulabro Realty Corporation N.V. and Mazal American Partners, dated as of September 12, 1985, recorded October 22, 1985 in Reel 974 page 1715.

SCHEDULE B

Permitted Encumbrances

1. Building and zoning laws and other regulations, resolutions and ordinances (including, but not limited to, any variances or use regulations) and any amendments thereto now or hereafter adopted.

2. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the Condominium By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Board and the Floor Plans, all as may be amended from time to time.

3. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building or any portion or element thereof.

4. Consents by 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, connections and other equipment and facilities on, under and across the Property.

6. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

7. Any encumbrance as to which the Title Company (or the title insurance company that insures Purchaser's title to the Unit) would be willing to insure, at its regular rates and without additional premium, in a fee policy issued by it to Purchaser, that such encumbrance will not be collected out of or enforced against the Unit if it is a lien, or that such encumbrance is not a blanket lien encumbering the Common Elements.

8. 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 its permitted purposes.

9. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

10. Encroachments of trim, copings, retaining walls, stoops, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises 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.

11. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

12. The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.

13. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at the closing of title).

14. Franchise taxes and New York City Business Corporation taxes of any corporation in the chain of title, provided that the Title Company would be willing in a fee policy issued by it to Purchaser, to insure that such taxes will not be collected out of the Unit.

15. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company (or the title insurance company insuring Purchaser's title to the Unit).

16. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

17. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

18. Any violations against the Property (other than the Unit) that are the obligation of the Board or another Unit Owner to correct.

19. Survey made by Earl B. Lovell S.P. Belcher Inc. dated November 13, 1997, as updated by the test last visual examinated issued on July 11, 2005, by Earl B. Lovell – S.P. Belcher Inc. (the "Existing Survey"):

    1) No Variations in lot lines

    2) The southerly line of title reflects an "Old Party Wall". The present southerly independent wall of the described premises is north of the line of title on the south.

20. Any state of facts which an update of the Existing Survey or any other accurate survey or a personal inspection of the Property and the Unit would show; provided such state of facts would not prevent the use of the Unit for its stated purposes; although any encroachment of a portion of the Unit structure upon another Unit or Units or upon the Common Elements may remain undisturbed as long as the same shall stand.

21. Any additional title exceptions noted in the Specimen Title Policy set forth in Part II of the Offering Plan.

22. All other covenants, restrictions and matters of record.

EXHIBIT 4

FORM OF LEASE WITH RESPECT TO RESIDENT MANAGER'S UNIT

Blumberg Law Products 186—Apartment lease, 2-5 family dwelling plain English format, 7-04 PREPARED BY ARNOLD MANDELL, LL.B. ©2004 BlumbergExcelsior, Inc., NYC 10013 www.blumberg.com

LEASE AGREEMENT

The Landlord and Tenant agree to lease the Apartment at the Rent and for the Term stated on these terms:

LANDLORD: 40 Broad LLC
Address for Notices: c/o Zamir Equities
587 Fifth Avenue, New York, NY 10017

TENANT: The Condominium Board of The Setai Condominium Residences at 40 Broad Street

Apartment (and terrace, if any) 10A at 40 Broad Street, New York, New York 10004

Lease date:		**Term**	Ten (10) years	**Yearly Rent**	$
20		**beginning**	20	**Monthly Rent**	$ See Rider §34
		ending	20	**Security**	$

Rider Additional terms on One page(s) initialed at the end by the parties is attached and made a part of this Lease.

1. Use

The Apartment must be used only as a private Apartment to live in and for no other reason. Only a party signing this Lease and the spouse and children of that party may use the Apartment.

2. Failure to give possession

Landlord shall not be liable for failure to give Tenant possession of the Apartment on the beginning date of the Term. Rent shall be payable as of the beginning of the Term unless Landlord is unable to give possession. Rent shall then be payable as of the date possession is available. Landlord will notify Tenant as to the date possession is available. The ending date of the Term will not change.

3. Rent, added rent

The rent payment for each month must be paid on the first day of that month at Landlord's address. Landlord need not give notice to pay the rent. Rent must be paid in full and no amount subtracted from it. The first month's rent is to be paid when Tenant signs this Lease. Tenant may be required to pay other charges to Landlord under the terms of this Lease. They are to be called "added rent." This added rent is payable as rent, together with the next monthly rent due. If Tenant fails to pay the added rent on time, Landlord shall have the same rights against Tenant as if Tenant failed to pay rent. Payment of rent in installments is for Tenant's convenience only. If Tenant defaults, Landlord may give notice to Tenant that Tenant may no longer pay rent in installments. The entire rent for the remaining part of the Term will then be due and payable.

4. Security

Tenant has given Security to Landlord in the amount stated above. If Tenant fully complies with all of the terms of this Lease, Landlord will return the Security after the Term ends. If Tenant does not fully comply with the terms of this Lease, Landlord may use the Security to pay amounts owed by Tenant, including damages. If Landlord sells or leases the Building, Landlord may give the Security to the buyer or lessee. Tenant will look only to the buyer or lessee for the return of the Security.

5. Services

Landlord will supply: (a) heat as required by law, and (b) hot and cold water for bathroom and kitchen sink. Stopping or reducing of service(s) will not be reason for Tenant to stop paying rent, to make a money claim or to claim eviction. Damage to the equipment or appliances supplied by Landlord caused by Tenant's act or neglect, may be repaired by Landlord at Tenant's expense. The repair cost will be added rent.

Tenant must pay for all electric, gas, telephone, water, sewerage and other utility services used in the Apartment and arrange for them with the public utility company.

Landlord may stop service of the plumbing, heating, elevator, air cooling or electrical systems, because of accident, emergency, repairs, or changes until the work is complete. If unable to supply any service because of labor trouble, Government order, lack of fuel supply or other cause not controlled by Landlord, Landlord is excused from supplying that service. Service shall resume when Landlord is able to supply it.

6. Repairs

Tenant must take good care of the Apartment and all equipment and fixtures in it. Tenant must, at Tenant's cost, make all repairs and replacements whenever the need results from Tenant's act or neglect. If Tenant fails to make a needed repair or replacement, Landlord may do it. Landlord's expense will be added rent.

7. Alterations

Tenant must obtain Landlord's prior written consent to install any panelling, flooring, "built in" decorations, partitions, railings or make alterations or to paint or wallpaper the apartment. Tenant must not change the plumbing, ventilating, air conditioning, electric or heating systems. If consent is given, the alterations and installations shall become the property of Landlord when completed and paid for, and shall remain with and as part of the Apartment at the end of the Term. Landlord has the right to demand that Tenant remove the alterations and installations before the end of the Term. The demand shall be by notice, given at least 15 days before the end of the Term. Landlord is not required to do or pay for any work unless stated in this Lease.

8. Fire, accident, defects, damage

Tenant must give Landlord prompt notice of fire, accident, damage or dangerous or defective condition. If the Apartment can not be used because of fire or other casualty, Tenant is not required to pay rent for the time the Apartment is unusable. If part of the Apartment cannot be used, Tenant must pay rent for the usable part. Landlord shall have the right to decide which part of the Apartment is usable. Landlord need only repair the damaged structural parts of the Apartment. Landlord is not required to repair or replace any equipment, fixtures, furnishings or decorations unless originally installed by Landlord. Landlord is not responsible for delays due to settling insurance claims, obtaining estimates, labor and supply problems or any other cause not fully under Landlord's control.

If the fire or other casualty is caused by an act or neglect of Tenant or guest of Tenant, or at the time of the fire or casualty Tenant is in default in any term of this Lease, then all repairs will be made at Tenant's expense and Tenant must pay the full rent with no adjustment. The cost of the repairs will be added rent.

Landlord has the right to demolish or rebuild the Building if there is substantial damage by fire or other casualty. Even if the Apartment is not damaged, Landlord may cancel this Lease within 30 days after the fire or casualty by giving Tenant notice of Landlord's intention to demolish or rebuild. The Lease will end 30 days after Landlord's cancellation notice to Tenant. Tenant must deliver the Apartment to Landlord on or before the cancellation date in the notice and pay all rent due to the date of the fire or casualty. If the Lease is cancelled Landlord is not required to repair the Apartment or Building.

9. Liability

Landlord is not liable for loss, expense, or damage to any person or property, unless due to Landlord's negligence. Tenant must pay for damages suffered and money spent by Landlord relating to any claim arising from any act or neglect of Tenant. Tenant is responsible for all acts of Tenant's family, employees, guests or invitees.

10. Landlord may enter

Landlord may at reasonable times, enter the Apartment to examine, to make repairs or alterations, and to show it to possible buyers, lenders or tenants.

11. Assignment and sublease

Tenant must not assign this Lease or sublet all or part of the Apartment or permit any other person to use the Apartment. If Tenant does, Landlord has the right to cancel the Lease as stated in the Default section.

12. Subordination

This Lease and Tenant's rights, are subject and subordinate to all present and future: (a) leases for the Building or the land on which it stands, (b) mortgages on the leases or the Building or land, (c) agreements securing money paid or to be paid by a lender, and (d) terms, conditions, renewals, changes of any kind and extensions of the mortgages or leases or Lender agreements. Tenant must promptly execute any certificate(s) that Landlord requests to show that this Lease is so subject and subordinate. Tenant authorizes Landlord to sign these certificate(s) for Tenant.

13. Condemnation

If all of the Apartment or Building is taken or condemned by a legal authority, the Term, and Tenant's rights shall end as of the date the authority takes title to the Apartment or Building. If any part of the Apartment or Building is taken, Landlord may cancel

this Lease on notice to Tenant. The notice shall set a cancellation date not less that 30 days from the date of the notice. If the Lease is cancelled, Tenant must deliver the Apartment to Landlord on the cancellation date together with all rent due to that date. The entire award for any taking belongs to Landlord. Tenant gives Landlord any interest Tenant may have to any part of the award. Tenant shall make no claim for the value of the remaining part of the Term.

14. Tenant's duty to obey laws and regulations

Tenant must, at Tenant's expense, promptly comply with all laws, orders, rules, requests, and directions, of all governmental authorities, Landlord's insurers, Board of Fire Underwriters, or similar groups. Tenant may not do anything which may increase Landlord's insurance premiums. If Tenant does, Tenant must pay the increase as added rent.

15. Tenant's defaults and Landlord's remedies

A. Landlord may give 5 days written notice to Tenant to correct any of the following defaults:

1. Failure to pay rent or added rent on time.
2. Improper assignment of the Lease, improper subletting all or part of the Apartment.
3. Improper conduct by Tenant or other occupant of the Apartment.
4. Failure to fully perform any other term in the Lease.

B. If Tenant fails to correct the defaults in section A within the 5 days, Landlord may cancel the Lease by giving Tenant a written 3 day notice stating the date the Term will end. On that date the Term and Tenant's rights in this Lease automatically end and Tenant must leave the Apartment and give Landlord the keys. Tenant continues to be responsible for rent, expenses, damages and losses.

C. If the Lease is cancelled, or rent or added rent is not paid on time, or Tenant vacates the Apartment, Landlord may in addition to other remedies take any of the following steps:

1. Use dispossess, eviction or other lawsuit method to take back the Apartment, and
2. To the extent permitted by law, enter the Apartment and remove Tenant and any person or property.

D. If the Lease is ended or Landlord takes back the Apartment, rent and added rent for the unexpired Term becomes due and payable. Landlord may re-rent the Apartment and any thing in it for any Term. Landlord may re-rent for a lower rent and give allowances to the new Tenant. Tenant shall be responsible for Landlord's cost of re-renting. Landlord's cost shall include the cost of repairs, decorations, broker's fees, attorney's fees, advertising and preparation for renting. Tenant shall continue to be responsible for rent, expenses, damages and losses. Any rent received from the re-renting shall be applied to the reduction of money Tenant owes. Tenant waives all rights to return to the Apartment after possession is given to the Landlord by a Court.

16. Waiver of jury, counterclaim, setoff

Landlord and Tenant waive trial by a jury in any matter which comes up between the parties under or because of this Lease (except for a personal injury or property damage claim). In a proceeding to get possession of the Apartment, Tenant shall not have the right to make a counterclaim or setoff.

17. Notices

Any bill, statement or notice must be in writing. If to Tenant, it must be delivered or mailed to the Tenant at the Apartment. If to Landlord it must be mailed to Landlord's address. It will be considered delivered on the day mailed or if not mailed, when left at the proper address. A notice must be sent by certified mail. Landlord must send a written notice to Tenant if Landlord's address is changed.

18. No waiver, illegality

Landlord's acceptance of rent or failure to enforce any term in this Lease is not a waiver of any of Landlord's rights. If a term in this Lease is illegal, the rest of this lease remains in full force.

19. Bankruptcy, insolvency

If (1) Tenant assigns property for the benefit of creditors, (2) Tenant files a voluntary petition or an involuntary petition is filed against Tenant under any bankruptcy or insolvency law, or (3) a trustee or receiver of Tenant or Tenant's property is appointed, Landlord may give Tenant 30 days notice of cancellation of the Term of this Lease. If any of the above is not fully dismissed within the 30 days, the Term shall end as of the date stated in the notice. Tenant must continue to pay rent, damages, losses and expenses without offset.

20. Rules

Tenant must comply with Landlord's Rules. Notice of Rules will be posted or given to Tenant. Landlord need not enforce Rules against other Tenants. Landlord is not liable to Tenant if another tenant violates the Rules. Tenant receives no rights under the Rules.

21. Representations

Tenant has read this Lease. All promises made by the Landlord are in this Lease. There are no others.

22. Landlord unable to perform

If due to labor trouble, government order, lack of supply, Tenant's act or neglect, or any other cause not fully within Landlord's reasonable control Landlord is delayed or unable to (a) carry out any of the Landlord's promises or agreements, (b) supply any service to be supplied, (c) make any required repair or change in the Apartment or Building, or (d) supply any equipment or appliances, this Lease shall not be ended or Tenant's obligations affected.

23. End of term

At the end of the Term, Tenant must: leave the Apartment clean and in good condition, subject to ordinary wear and tear; remove all of Tenant's property and all Tenant's installations and decorations; repair all damages to the Apartment and Building caused by moving; and restore the Apartment to its condition at the beginning of the Term.

24. Space "as is"

Tenant has inspected the Apartment and Building. Tenant states they are in good order and repair and takes the Apartment "as is."

25. Quiet enjoyment and habitability

Subject to the terms of this Lease, as long as Tenant is not in default Tenant may peaceably and quietly have, hold, and enjoy the Apartment for the Term. Landlord states that the Apartment and Building are fit for human living and there is no condition dangerous to health, life or safety.

26. Landlord's consent

If Tenant requires Landlord's consent to any act and such consent is not given, Tenant's only right is to ask the Court to force Landlord to give consent. Tenant agrees not to make any claim against Landlord for money or subtract any sum from the rent because such consent was not given.

27. Legal fees

The successful party in a legal action or proceeding between Landlord and Tenant for non-payment of rent or recovery of possession of the Apartment may recover reasonable legal fees and costs from the other party.

28. Lease binding on

This Lease is binding on Landlord and Tenant and those that lawfully succeed to their rights or take their place.

29. Landlord

Landlord means the owner, or the lessee of the Building, or a lender in possession. Landlord's obligations end when Landlord's interest in the Building is transferred. Any acts Landlord may do may be performed by Landlord's agent or employees.

30. Paragraph headings The Paragraph headings are for convenience only.

31. Changes This Lease may be changed only by an agreement in writing signed by and delivered to each party.

32. Effective date This Lease is effective when Landlord delivers to Tenant a copy signed by all parties.

Signatures Landlord and Tenant have signed this Lease as of the date at the top.

LANDLORD:

TENANT:

WITNESS:

RIDER TO APARTMENT LEASE

Unit 10A
The Setai Condominium Residences at 40 Broad Street
40 Broad Street,
New York, New York 1000

33. This rider and the printed portion of this Lease constitute the entire lease between Tenant and Landlord. In the event of a conflict between this rider and the printed portions of this Lease, the provisions of this rider shall govern.

34. This Lease will be for a term of ten (10) years. The monthly rent shall be $3,500 fixed for the first five years of the lease term and subject to 3% increase for each year thereafter.

35. Tenant may terminate the Lease at any time, upon sixty (60) days written notice to Landlord after Landlord is no longer in control of the Tenant.

36. Subject to and in accordance with the other terms and conditions of this Lease, Tenant shall use and cause the Premises solely to be occupied by the Resident Manager of The Setai Condominium Residences at 40 Broad Street (the "Condominium") and for no other purpose. Tenant recognizes and acknowledges that this use provision is a material inducement for Landlord to enter into this Lease and that the violation of this provision shall be deemed a material default hereunder.

37. This Lease is subject to, and made and entered into in compliance with, the Condominium Offering Plan and, therefore, is subject to the rules and regulations of the Declaration and By-Laws of the Condominium and any violation of same shall constitute an event of default.

38. In the event of any inconsistency or conflict between the terms and provisions of this Rider and those contained in the printed portion of the Lease, the terms and provisions of this Rider shall govern and be binding.

EXHIBIT 5

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

DESCRIPTION OF PROPERTY

40 Broad Street

New York, New York

Architect

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148 West 24 Street

New York, NY 10011

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INTRODUCTION

This report was prepared for the sponsor for inclusion in an offering plan for conversion of 40 Broad Street to Condominium ownership. The building report is based on the plans, specifications and work of the following consultants.

Structural Engineers
Goldstein Associates PLLC
31 West 27 Street
New York, NY 10001

Mechanical Engineers
George Langer Associates
134 West 29th Street, 11th Floor
New York, NY 10001

Window and Waterproofing Consultants
Israel Berger Associates
232 Madison Avenue
New York N Y 10016

Code Consultants
Construction Consulting Associates
100 Church Street
New York, NY 10007

Elevator Consultants
Joseph Neto & Associates, Inc.
399 Conklin Street, Suite 304
Farmingdale, N Y 11735

This report is intended to describe the building, its functions, systems and improvements on the property. It is by no means a comprehensive detailed list of every space and every piece of equipment.

The contents of this report are correct to the best of my knowledge and belief. This report is based on the information contained in the contract documents and information supplied by the Sponsor and its consultants and Construction Manager. No representation is made to the conformance with the requirements of the contract documents. This report is not be construed as a warrantee or a guarantee. It is not intended or prepared for the purpose of fixing a value to the property or as an opinion to the advisability or inadvisability to purchase the property being offered pursuant to the Sponsor's Offering Plan.

A. Location and use of Property:

1. Address:	40 Broad Street New York, New York 10004
2. Block #: Lot #:	24 32
3. Zoning:	C5-5 [R-10 Equivalent]
4. Permissible Use:	The lot allows for residential and commercial development. The property and its proposed use will comply with all zoning and use requirements.

B. Status of Construction:

1. Year built:	The Building was built in 1984.
2. Class of construction:	The construction classification is Class 1-A.

3. Certificate of Occupancy: The existing Certificate of Occupancy No. 88123 dt January 13th, 1986 is for an office type building.

4. Alteration Permit Numbers and Description of Work Done: The Building will be converted pursuant to provisions of Article ZR 91-00, Special Lower District of the New York City Zoning resolution ("Zoning Resolution") and the provisions of New York City Building code. Plans will be filed with the Department of Buildings under an Alt 1 application # 104305057 for conversion of a former commercial building to a Mixed-use building consisting of Offices and Class A multiple dwellings.

ALT 1 application has been approved and permits have been obtained and construction has commenced. Upon completion of construction, the Sponsor shall obtain a Certificate of Occupancy. The Sponsor may obtain a Temporary Certificate of Occupancy for the completed portion of the Building prior to closing of the completed Residential Units.

The 25-story high building with 317,000 square foot area is built on an irregular shaped trapezoid block, bounded by Broad Street to the East and New Street to the West. It is located mid-block along the west side of Broad Street and is full block deep spanning to New Street. There is an existing single drive-in loading dock bay along New Street. The Building structure is comprised of reinforced concrete framing. The façade consists of granite and pre-cast concrete panels anchored back to the building structure. Stone

cladding extends from the street level up to the 6th floor. Pre-cast concrete cladding extends from the 6th floor up to the roof. The existing windows are fixed, insulating tinted glass panels with bronze anodized aluminum mullions. The existing roofing consists of a flat, inverted roof membrane assembly system with both gravel and pre-cast pavers surfacing. Six overhead traction passenger elevators and a single overhead traction freight elevator provide vertical circulation.

The building has setback roofs at the 6th, 7th and 12th floors on the Broad Street side and 12th floor on the New Street side. New Street façade slopes back from the 12th floor to 25th floor. All references in this report are in accordance with existing construction floor numbers and not marketing floor designations. Floor designations on the plans filed with the Department of Buildings differ from the marketing floor designations. Refer section "W" of this report.

The existing building does not comply with the rear yard equivalent requirements of the Zoning Resolution for a residential building. It is proposed to convert all of the floors above the 7th floor to residential use. Consequently, a 24 feet 3 inches deep slice of the Building will be removed from floors 8 and above in order to comply with the rear yard Equivalent requirements of the Zoning Resolution. The residential portion is being developed as per the requirements of Quality Housing provisions of the

Zoning Resolution. The floor area removed in order to comply with rear yard equivalent requirements and floor area from Quality Housing deductions is being reconfigured at the top of the building. The resultant envelope of the Building will comply with the zoning requirements of the Special Purpose district and the underlying zoning district. The new building envelope will have 3 stories.

As a result of this conversion to residential use, the remaining office floor area will be less than the necessary floor area to require a loading dock. Thus the loading dock will be eliminated. The existing cellar level will remain.

Floors 8 thru 3 will be for residential use and floors 1 thru 7 will be for commercial use.

There will not be any on-site parking facilities.

C. Site:

1. Size: The gross plot size is approximately 15,832 square feet.

2. Number of buildings and use: There is only one building on the site. It was previously used for offices. Its proposed use will be a mixed-use building consisting of offices and Class A multiple dwellings.

3. Streets owned or maintained: The site has an angular frontage of 82 feet (Approx) on Broad Street and 126.5 feet

(Approx) on New Street.

i. Paving: Both streets are paved with asphalt topping. The streets are in good condition.

ii. Curbing: There is granite curbing along Broad Street. The balance curbing along New Street is concrete faced with steel. The curbing is in good condition.

iii. Catch basins: The street has catch basins at the intersections and is connected to the New York City storm drainage system. The catch basins are in good condition.

iv. Street Lighting: The street lighting is provided by New York City. It is located in front of 30 Broad Street on the left side of the building.

v. Conformity with Local Fire District, Municipal Town or Building Codes: All items in section (i)-(iv) above are in conformity with local fire district, town or municipal building codes.

4. Drives, Sidewalks & Ramps:

i. Paving: Sidewalk area fronting the Building is composed of granite pavers along Broad Street and cast-in-place concrete along New Street. The sidewalks are in good condition.

ii. Curbing: There is granite curbing along Broad Street. The balance curbing along New Street is concrete faced with steel. The curbing is in good condition.

iii. Catch basins: The catch basins are located between Williams Street and Broad Street and are in good condition. These are maintained by the city of New York.

iv. Street lighting: The street lighting is provided by New York City. It is located in front of 30 Broad Street on the left side of the building. It consists of an aluminum pole and

an arm extension with light bulb. The condition of street lighting is fairly good.

v. Conformity with Local Fire District, Municipal Town or Building Codes: All items in section (i)-(iv) above are in conformity with local fire district, town or municipal building codes.

D. Utilities:

1. Electric Service:

Con Edison Company, a regulated utility company, will provide electrical service to the Building via existing services. The existing two services are rated for 4,000 Amps, each at 120/208 volts, 3-phase 4 wire. The Building has two (2) existing un-metered bus duct risers which are directly metered by Con Edison Company on each floor for floors 4 and above.

Electricity consumed in Residential Units will be separately metered for each unit, including the electricity required to power heat pump units. Meters will be located in meter rooms on each residential floor.

Con Edison will meter the electricity consumed in the Residential Common Elements and the cost of the same will be borne by the Residential Unit Owners as a common expense.

The electricity consumed in each Commercial Unit will be separately metered by Con Edison.

2. Gas Service:

Con Edison Company, a regulated utility company, will provide gas service to the Building. Gas will be provided to Residential Units and Residential Limited Common Elements on the master meter and be borne by the Residential Unit Owners as a common expense. Any gas consumed in the Commercial Unit will be separately metered for each unit.

3. Water and Sewer Service:

Domestic water service and fire protection water services will be provided by the City of New York by existing domestic water and fire protection water services. Sanitary sewage and storm water disposal will be provided by the City of New York through an existing combined sanitary and storm sewer.

The charges for water and sewer services provided to the Residential Units and the Residential Limited Common Elements will be master metered and charged to the Residential Unit Owners as a common expense.

Any water consumed in the Commercial Units will be sub-metered and the owners of such units or their tenants will pay for the charges for such water and the corresponding sewer rents.

4. Telephone and Cable T.V.:

Telephone service will be provided by Verizon. Each Residential Unit will be pre-wired for telephone service. Each unit owner will pay its telephone charges directly to the telephone company. Telephone charges for the common areas of the building such as

the Building manager's office or the concierge will be billed as a common charge to the unit owners.

Cable television service will be provided by Time Warner. Each Residential Unit Owner may order the installation and activation for such service and subscribe to and pay for cable service directly to the provider. Any internet service connection from the telephone or cable company will be billed in the same manner. Each Residential Unit will be pre-wired for cable TV service. In each unit a CATV outlet will be provided in the living room and each bedroom.

5. Steam Service: Con Edison Company will provide steam service to the Commercial Units and Residential Units by an existing steam service. Any steam consumed in the Commercial Units will be master metered and paid for by the owners of such units or their tenants as the case may be.

E. Sub-soil Conditions:

1. Uneven Foundation Movement or Settling: Below grade level on the Building consists of a single full cellar level constructed of cast-in-place concrete slab-on-ground and spread footings with perimeter concrete foundation walls. Based on the property condition and environmental due diligence report dated June 15, 2005 by IVI International Inc. there is no evidence of major structural distress and the foundation appears stable and in general good

condition. Refer to a separate exhibit for the property condition and environmental due diligence report provided by sponsor's consultant(s). This is not provided by the architect.

2. Evidence of Moisture or Ground Water Infiltration: There is no evidence of moisture or seepage or ground water infiltration.

3. Any Danger from Flooding: There is no danger of flooding due to a water table in the area or overflow from other bodies of water. There is no danger or any potential for mudslides or erosion.

Refer to a separate exhibit for 100 year flood level survey provided by sponsor's consultant(s). This is not provided by the architect.

F. Landscaping and Enclosures:

1. Grass cover: There will be no grass cover.

2. Plantings: There will be plants in the New Street setback.

3. Trees: There will be deciduous trees maximum 25 feet apart on both street frontages.

4. Fencing: There will be no fence.

5. Gates: There will be no gates.

6. Garden walls: There will be no garden walls.

7. Retaining walls: There will be no retaining walls.

8. Display pools and fountains: There will be a display pool on the 8th Floor and the roof as part of the recreation space.

G. Building Size:

1. Total Height: The total Building height to the main roof above the sidewalk on Broad Street side is approximately 355 feet and 6 inches and on New Street side is approximately 352 feet and 0 inch. After renovation is complete the total Building height will be approximately 385 feet to the top of the bulkhead on Broad Street side.

2. Crawl Spaces: There are no existing crawl spaces in the building and none are planned.

3. Cellar: The Building has one cellar floor with a height of 13 feet. After renovation, the height of the cellar floor will remain as is.

4. Floors: There are currently 25 floors in the Building. There will be 31 floors after the completion of renovation.

The floors will be designated as Cellar, Lobby, Floors 2 – PH6. For residential floor numbering, please see chart under section "W" of this report.

The existing floor to floor height for first floor is 22 feet 10 inches. The existing floor to floor height at floors 2 through 24 is 11 feet 4 inches. The floor to floor height at the existing mechanical floor on 25th floor is 12 feet 8 inches. After renovation, the floor to floor height for each floor will be 11 feet 4 inches and floors 25 thru 30 floor to floor height will be 12 feet 0 inch.

Floor to ceiling height of units will range from approximately 8 feet in kitchens, toilets and apartment corridors to approximately 10 feet in living rooms, bedrooms, home offices etc. However, areas on residential floors which contain sprinkler heads and/or HVAC duct/plumbing soffits will have minimum hung ceiling heights of 6'-8".

5. Equipment Room:

There is an existing equipment room used for elevator machine located on 12th floor.
One elevator machine room will be located in the roof bulkhead. There will also be an equipment room for residential floors on 30th floor in addition to misc. (mechanical, plumbing and electrical) equipment rooms on the cellar floor.

6. Parapet Heights:

The existing parapets have a height of 4'-7". The new parapets will have a minimum height of 3 feet 6 inches above the roofs.

H. Structural System:

1. Exterior of Buildings:

The existing foundation walls of the Building are of reinforced concrete and the foundations are spread footings. The existing typical floors are constructed of cast-in-place reinforced concrete slabs and cast-in-place reinforced concrete columns and beams. Columns at the New Street façade slope back along the same angle as the façade.

After renovation, the foundation walls will remain. New residential floors will be constructed of steel framing and metal deck with poured concrete construction. The lateral load resisting system consists of a reinforced concrete shear wall core at the elevator banks. The existing Building was designed for a live load of 50 lbs. per square foot from the ground through the 25th floor. After construction, the Building will have a live load capacity of 40 lbs/sq. ft. for residential floors.

i. Walls:

The new window wall will be composed of aluminum framing, insulated glass panels and casement windows. The walls will be insulated with 3 ½" insulation composed of foil faced insulation with a R value of approximately 13.

The existing façade of the building consists of granite panels and pre-cast concrete panels anchored back to the structure. Stone cladding extends from the street level up to the 6th floor. Pre-cast concrete cladding extends from the 6th floor up to the roof.

The new facade on the New Street side from floors 8 and up will consist of a window wall system.

Local Law 11/98 does apply to the Building and the inspection report is attached herewith. [Refer "Exhibit –C"]

ii. Windows:

Typical fenestration consists of two story high storefronts and punched window openings. The storefronts along Broad Street and New Street typically consist of fixed, aluminum framed, double pane system. A single paned storefront system exists along both storefronts. Existing windows on upper floors are fixed, insulating tinted glass panels with bronze anodized aluminum mullions. There are dense neoprene gaskets, extruded silicone spacers and silicone caulking set glass lites in the opening into each frame. The alteration will include replacement of existing windows with replacement aluminum casement and fixed glass windows on residential floors facilitating required light and ventilation for units as per New York City Building Code.

The windows can be cleaned from inside and outside of the Building. The windows may be cleaned from the inside by the unit owners.

There will be window sills composed of extruded aluminum. There will be no screens.

There will be no window guards but all windows shall have limit stop to comply with requirement of Department of Health.

There will be steel angle lintels where there are windows in brickwalls. There will be no storm windows.

The manufacturer of the windows is Peerless Products Inc. of Fort Scott, Kansas. There will be a warranty of 5 years for the sash frames and 10 years for insulated glass.

There are lot line windows in the Building on the units facing south on floors 22-30. These windows do not count for light and ventilation for habitable rooms and may sometime in the future be built up against by the owners of adjacent properties. Please refer the declaration in this offering plan.

iii. Landmark Status: This Building does not have landmark status and is not located in a historic district.

2. Parapets and copings: There will be concrete parapets faced with aluminum panels and an extended metal and glass railing anchored on the inside face of the concrete parapet. The existing parapet wall at 21nd floor will be replaced with a 3 feet 6 inches high glass railing made out of aluminum tubing laminated glass panels.

There is no indication of leakage, spilling, deterioration or mortar, cracking, etc. Please see LL11/98 report for condition of existing façade. [Refer "Exhibit-C"]

3. Chimneys and Caps:

There shall be a new insulated 10 gauge steel exhaust duct, located near the refuse chute for the future commercial kitchen on the first floor.

There shall be a number of new combustion air discharge terminals for the condensing, hot water boilers and domestic hot water heaters located on the southwest side of the roof.

4. Balconies and terraces:

There will be no balconies in the building. There will be two recreation terraces in the building. One recreation terrace approximately 5500 square feet in size on the existing 8th floor set-back and a recreation terrace approximately 2500 square feet in size located on the new roof to be accessible by all unit owners. There will be private terraces for unit numbers 5, 6, 7 and 8 on the building setback roofs on existing 21st floor for use only by those respective units.

i. Deck Finish:

The deck finish for all terraces shall be 2'X 2' pre-cast lightweight concrete pavers. A divider made out of metal posts and panels shall separate roof setbacks and terraces from each other.

ii. Balustrade:

There will not be any balustrades.

iii. Railings: The railings at terraces will consist of metal and glass. Doors to the terraces shall be aluminum framed glass doors. All glass shall be safety glass type.

iv. Copings: There will be copings made of aluminum.

v. Soffits: There will not be any new soffits.

vi. Doors to terraces: There will be glass and aluminum doors to the terraces.

5. Exterior Entrances:

i. Exterior doors and Frames: There will be hollow metal exterior doors. There will be a mortise lock on the door. There will be a welded steel door frame.

ii. Vestibule Doors and Frames: There will be glass and aluminum vestibule doors. There will be an electric strike lock on the door. There will be aluminum door frame.

iii. Exterior Stairs: None.

iv. Railings: There will be glass and metal railings, which will be located at the terraces.

v. Mailboxes: The mailboxes will be United Postal Service compliant. The manufacturer will be Auth-Florence Manufacturing Co. The inside dimensions are 6" wide x 5" high x 15.5" deep with painted finish. The mailboxes will be located in the lobby.

vi. Lighting: There will be fluorescent and incandescent lighting located at the residential lobby on Broad Street.

6. Service Entrances:

i. Doors: Service entrances will have hollow metal doors with welded steel frames. The doors will have mortise locks.

ii. Gates:	There will be no gates.
iii. Exterior stairs:	None.
iv. Railings:	There will be aluminum railings located at the stairs on New Street entrance.

7. Roof and Roof Structures:

Types of Roof:	There will be membrane roofing for new roof and bulkhead structures.
i. Material:	There will be rubberized asphalt roofing. (eg. Hydrotech)
ii. Insulation:	There will be rigid insulation with a R value of 20.
iii. Surface finish of roofs:	The surface finish will be pre-cast roof pavers or gravel.
iv. Bond or guarantee:	There will be a manufacturer guarantee of 20 years on the roof.
v. Flashing materials:	The flashing material for the roof will be composed of stainless steel or copper.

Drains:

i. Location, material and type:	The main roof will have between one and six drains depending on the area served.There will be two drains on the west of bulkhead and one on the east bulkhead. Roof setbacks will have between one to four drains, depending on roof area served.
	The elevator machine room roof and the stair bulkhead roofs will have scuppers.
	The drains will be made of cast iron.

	The drains will be deck drain assembly for terraces and domed strainer for others.
vi. Gutter and Leaders:	All leaders will be service weight cast iron.
	There are no gutters.
Skylights:	There shall be no skylights in the building.
Bulkheads:	All bulkheads will be of brick and block cavity wall construction.
i. Stairs:	The bulkhead(s) over the stairs will be of brick and block cavity wall construction.
ii. Elevator:	The elevator bulkhead(s) over the stairs will be of brick and block cavity wall construction.
iii. Other:	The bulkhead(s) located at roof for penthouse apartments will be of brick and block cavity wall construction.
Metal work at roof levels:	
i. Exterior, metal stairs:	None
ii. Vertical ladders	There will be steel goose-neck type ladders for access to the top of all bulk-heads. Railings: All exterior railings shall be aluminum and glass.
iii. Railings	All exterior railings shall be aluminum and glass.
iv. Hatches to roof:	None
v. Other:	None
Rooftop facilities:	There will be two recreation terraces in the building: one on the 8th floor setback and one on the new roof (PH6). The terraces will be paved with light weight concrete pavers and will have planters and/or trellises.

There will also be a solarium on the main roof level and the recreation terrace will be accessible from this space.

8. Fire escapes: There will be no fire escapes.

9. Yard and courts: There will be no yards or courts.

10. Interior stairs:

i. Number of stairs of each type: There will be two public stairs in the Building. The stairs are scissor type stairs.

ii. Enclosure: The enclosure will be painted concrete block.

iii. Stair construction: The stairs will be of metal pan construction with concrete treads and two layers of fire code gypsum at the soffits.

iv. Stringers: Stringers will be made of steel channels.

v. Treads: The stair treads will be made of steel pan construction filled with concrete.

vi. Risers: The risers will be made of steel.

vii. Guard rails: The guard rails will be made of steel pipe.

viii. Balustrade: None.

11. Interior doors and frames:

i. Unit entrance/interior doors/frames: Residential Unit entry doors shall be hollow metal fire proof construction with a fire rating of 1 ½ hr. The doors shall have welded metal frames and interviewers.

All bathroom, bedroom and home office doors will be 1- ¾ inch thick solid core wood doors with paint

grade finish. Closet doors will be combination of framed, bi-fold and single pivot panel wood doors. These doors will be not be rated fire proof. All doors are approximately 8'-0" high. Terrace doors will be of aluminum and glass. These doors will be of exterior window wall construction. The unit interior and terrace doors will be will not be fireproof.

ii. Corridor doors and frames:	Corridor doors will be of hollow metal construction. These doors will be 1 ½ hr fire rated. Corridor doors will be located at refuse room and mechanical room. The doors shall have welded metal frames. These doors will be fireproof.
iii. Stair hall doors and frames:	Stair hall doors will be of hollow metal construction. These doors will be 1 ½ hr fire rated. These doors will be located at public halls. Stair hall doors shall have welded metal frames. These doors will be fireproof.
iv. Roof doors and frames:	Roof doors will be of hollow metal construction. Roof doors will be 1 ½ hr fire rated and located at bulkheads. The doors shall have welded steel frames. The roof doors will be fireproof and self-closing. These doors shall have 100 sq. inch maximum vision glass.
v. Other:	
Refuse room doors and frames:	Refuse room doors for the chutes on each floor shall be 1-1/2 hour rated bottom hinged stainless steel doors. The doors shall have welded stainless steel frames. The doors will be fireproof.

Equipment room doors: Equipment room doors will be of hollow metal construction. These doors will be 1 ½ hr fire rated. The doors shall have welded metal frames. The equipment room doors will be fireproof.

12. Elevators:

Passenger elevator: There will be 2 low rise passenger elevators (PE 2 & 3) and 3 high rise passenger elevators (PE 4,5 & 6) located in the Building.

i. Manufacturer: PE 2 & 3 are existing Westinghouse 157 overhead gearless machines. The elevators are 24 years old. They will have a capacity of 2500 pounds and 19 passengers.

PE 4,5 & 6 are existing Westinghouse 2062 overhead gearless machines. The elevators are 24 years old. They will have a capacity of 3500 pounds and 26 passengers

ii. Type of operation: PE 2 & 3 have duplex automatic operation and PE 4, 5 & 6 have group automatic operation.

iii. Automatic (type of controls): Automatic PB

iv. Floors served: Elevators 2 & 3: Lobby, 2 – 7

Elevators 4, 5, 6: Lobby, 8 – 30, Roof

v. Type: The type of elevator is Gearless.

vi. Doors: The doors are Automatic sliding

vii. Location of machine rooms: The elevator machine rooms are located

Elevators 2 & 3: 12th Floor

Elevators 4, 5, 6: Roof

viii. DC motor: The manufacturer of the DC motor is Westinghouse.

ix. AC motor-generator The manufacturer of the AC motor-generator set is

set:	Westinghouse (replacing w/ SCR drives).
x. Other:	N/A

Service/Freight elevators:

i. Number:	There will be 1 passenger/service (swing) elevator located in the high rise shaft.
ii. Manufacturer:	The manufacturer is Westinghouse. The elevator is 24 years old. It has a capacity of 3500 in pounds.
iii. Type of operation:	Automatic
iv. Automatic (type of controls):	Automatic PB
v. Floors served:	Elevator 7: Cellar, Lobby, 2 – 30, Roof
vi. Type:	The type of elevator is Gearless.
vii. Doors:	The doors are Automatic sliding
viii. Location of machine rooms:	The elevator machine rooms are located Elevator 7: Roof
ix. DC motor:	The manufacturer of the DC motor is Westinghouse.
x. AC motor-generator set:	The manufacturer of the AC motor-generator set is Westinghouse (replacing w/ SCR drives.
xi. Other:	N/A

13. Elevator cabs:

Passenger Elevators

i. Kind (manufacturer):	The elevator cab will be custom fabricated.
ii. Floor	The floor will be stone tile.
iii. Walls:	The walls will be stainless steel / glass
iv. Ceiling:	The ceiling will be stainless steel(suspended)
v. Lighting:	The lighting will be fluorescent down light fixtures.
vi. Alarm, safety system:	There will be an emergency stop and alarm switch and two-way inter-communication system.

Service Elevator

i. Kind (manufacturer):	The elevator cab will be custom fabricated.
ii. Floor	The floor will be aluminum diamond plate.
iii. Walls:	The walls will be stainless steel panels
iv. Ceiling:	The ceiling will be steel prime painted
v. Lighting:	The lighting will be fluorescent flush-mounted fixtures.
vi. Alarm, safety system:	There will be an emergency stop and alarm switch and two-way inter-communication system.
vii. Lighting:	The lighting will be compact fluorescent.
viii. Alarm, safety system:	There will be an emergency stop and alarm switch with manual emergency lowering system.

I. Auxiliary facilities:

1. Laundry rooms:

i. Location and number of room:	Each Residential Unit will have its own clothes washer and clothes dryer. The clothes washers and clothes dryers will be ventless. There will be no common laundry room for residents' use.
ii. Clothes washers:	Not applicable.
iii. Clothes dryers:	Not applicable.Room ventilation: Not applicable.Dryer ventilation: Not applicable.

2. Refuse disposal:

i. Incinerators:	There will not be any incinerators.
ii. Compactors:	There will be one compactor located in the cellar at the termination of chute. The compactor shall have

adequate capacity. The compactor will be a hydraulically operated concentric ram pipe utilizing the extrusion principle.

iii. Approvals by authority: There is no separate approval required for the compactor. The compactor shall have an approved MEA number by the City of New York.

iv. Initial storage location (ultimate storage location): Each apartment shall have access to a refuse chute through a refuse room located on each floor. The refuse chute will terminate in the cellar into a compactor room. The chute will be 24 inches in diameter and made of aluminized steel. The refuse chute will have sprinkler heads at alternate floors as required by NYC Building Code. The compacted refuse shall be stored in the cellar compactor room. The compactor room shall be air conditioned.

v. Pick-up schedule: The compacted refuse will be carted outside by the Building staff for pick up by the New York City Department of Sanitation on specified days.

J. Plumbing and drainage:

1. Water supply: An existing four (4) inch domestic metered water service with backflow preventer is provided from the public water main to two (2) tank fill pumps. The pumps will supply water to a 35,000 roof tank. The roof tank will supply water to five (5) zones of domestic water use (three (3) residential and one (2) commercial). The upper residential zone will be provided with a constant pressure pumps, fed from the roof tank. Water distribution will be a type L copper piping system with 95-5 tin-antimony

soldered, brazed or gasketed joints. All mains and risers are insulated. Crotons (branches) are not insulated. Pressure reducing valves to reduce pressure as required for the lower residential and the commercial zones will be installed.

2. Fire protection system: Two (2) existing 6 inch fire services with double check detector assemblies are provided from the public water mains to a 750 gpm manual fire pump, an existing 500 gpm automatic fire pump for the commercial floors, as well as 15,000 gallon fire reserve in the combined domestic fire protection wood roof tank to serve the fire standpipe and sprinkler systems. The pressure to sprinklers at floors 25 to 30 will be boosted by a special service fire pump.

i. Standpipes: There is an existing 6 inch combined fire standpipe/sprinkler riser in the staircase. There will be one three way roof manifold at the main roof.

ii. Hose racks, hoses and nozzles: There are existing 2 ½ inch hose valves located in the staircase at each floor. There will be a 2 ½ inch cap and chain for the existing hose valve at all residential floors. A central hose cabinet will be located in the residential lobby. Hose racks will remain on non-residential floors.

iii. Sprinkler System: An automatic sprinkler system will be installed for all Residential Units and Residential Common Areas. The sprinklers will be supplied from the special service fire pump and sprinkler riser at residential floors 25 to 30 and from the existing combined fire standpipe/sprinkler riser at floors

cellar to 24 except commercial floors which will be supplied by a dedicated sprinkler fire pump and sprinkler and drain riser.. The piping will be Schedule 10 rolled grooved mechanical joints, or schedule 40 with cut grooved mechanical joints or threaded joints

Siamese connection: There are two existing 3"x3"x5" combined fire standfire/sprinkler fire department siamese connections located at Broad Street and New Street.

3. Water storage tank(s) and enclosures:

i. Number, type, location: There will be one combined domestic and fire reserve fire protection gravity roof tank.

ii. Material: The water storage tank will be made of pine.

iii. Access to tank: The water storage tank will be accessible via a ladder at the tank exterior to the roof hatch.

iv. Capacity (total gallons): It will have a capacity of 35,000 gallons.

v. Capacity (domestic reserve): 20,000 gallon domestic reserve.

vi. Capacity (fire reserve): The water storage tank will have a 15,000 gallon fire reserve.

4. Water pressure: Domestic water pressure will be maintained by the elevated roof tank for the lower residential zones defined as 8 to 15 & 16 to 23 and for the commercial zone and constant pressure booster pumps for the upper residential zone defined as 24 to 30. Domestic fixtures to be installed will have a minimum of 30 psi.

Water pressure for the fire protection systems will be maintained at upper floors by elevated roof tank for

fire standpipe system and a special service fire pump for sprinkler system. Fire standpipe and sprinkler system water pressure will be maintained at lower floors cellar to 24th floor by the existing automatic fire pump. A 750 gpm manual fire pump pressurizes the fire standpipe and sprinkler systems.

5. Sanitary sewage system:

i. Sewage piping: The sewage piping will be service weight cast iron pipe and no-hub fittings. All sewage will be piped through an existing 8 inch sanitary house drain for the Commercial Units and an existing 8 inch sanitary sewer for the Residential Units.

ii. Sewage pumps: The existing duplex ejector and sump pump will serve the cellar.

iii. Sewage disposal: All sewage will be piped to a 10 inch combined sewer to the New York City sewer system.

6. Permit(s) required: The City of New York will approve the Building's sanitary and domestic water service connections pursuant (not yet issued).

7. Storm drainage system: There will be gravity roof storm drainage from new roof drains connected to existing storm leaders and an existing 8 inch storm house drain connected to the public sewer via an existing 10 inch combined sewer.

i. Catch basins: There will not be any catch basins.

ii. Yard and roof drains: Storm water drains are located on every roof and terrace and are connected to the existing storm

leaders. Piping: The piping will be service weight cast iron pipe and fittings.

iii. Eject or sump pumps: The existing duplex sump pump serves the existing drains.

K. Heating:

1. Heating and distribution of domestic hot water and whether capable of providing peak required services:

Heating capacities are based on 70° water and 70° entering air temperature. The heating system is designed to meet the New York State Energy Code, based on 11 deg. F. outside temperature. Space heating is provided by a water source heat pump system. Individual floor mounted units will be equipped with unit mounted fan speed switches and thermostats. Ceiling hung ducted units will be equipped with remote wall mounted fan speed switches and thermostats.

Toilets and kitchenettes on the top floor that are exposed to the roof and within Residential Units will be heated with electric resistance type heaters, metered from the individual Residential Owner's sub-meter. Residential corridors shall be heated and cooled by water source heat pump units. Space temperature is controlled by a space thermostat. Common Elements such as the tops of stairwells and exits to the roof will be heated with electric resistance type heaters. Common elements such as lobbies and Building entrances from the street will be heated by steam unit heaters.

The residential domestic hot water is generated by four (4) gas fired domestic water heaters (two (2) domestic water heaters for each residential zone).

All apartment HVAC units shall be manufactured by Climate Master and will be model numbers 9, 12 and 15 or an equivalent unit of equal capacity unit.

The water source heat pump units will have the following capacities:

Unit/Model	High Speed CFM	Cooling L BTU/hr	Heating M BTU/hr	Min EER
A/009	300	8,300	11,600	9.6 @ 208V
B/012	350	11,300	15,000	10.3 @ 208V
C/015	400	12,100	17,100	10.2 @ 208V
C1/019	460	14,400	18,900	9.9 @ 208V
D/010	300	7,500	11,500	10.3 @ 208V
E/020	500	15,500	22,700	9.8 @ 208gV
F/015	400	10,500	15,100	11.4 @ 208gV

Cooling capacities are based on ASHRAE and ARI conditions of 89°F DB/73° WB outside, 78°F DB/67°F WB inside air. The MEA number for the units is 138-84E.

2. Boilers:There will be no boilers serving the premises.

6. Radiators, piping, insulation, valves, pumps:

Water piping is uninsulated Scheduled 40 steel welded with 125 or 300 pound fittings depending upon location and service. Air condensate piping to be insulated Scheduled 40 steel piping with threaded joints for sized 2-1/2" and less and welded for 3" and larger in diameter. Condensate risers will be

connected to indirect waste drainage at cellar. Shut off valves to be all valves. Pumps to be centrifugal type.

7. Fuel: There is no oil use in the building.

8.Location of oil tank: There is no oil tank.

9.Capacity of oil tank: There is no oil tank.

L. Gas Supply:

1. Type: The building is provided with a low pressure service by the utility company.

2. Meters: Common residential cooking meters, common residential heating and domestic water heater meter.

3. Piping Black steel schedule 40 pipe with malleable fittings and threaded joints for piping up to 4 inches and steel fittings with welded joints for piping 5 inches and larger.

M. Air conditioning:

1. Type of system: Air conditioning systems are designed to meet all requirements of NY State Energy Code. Air conditioning will be provided through a heat rejection system. Air conditioning will be provided to Residential Units by water source heat pump units in each Residential Unit. Floor mounted units are

provided for home office and perimeter areas. Ceiling hung ducted units are provided for selected interiors.

2. Central system: Not a central system, terminal units utilized.

3. Cooling towers, condensers: Two (2) open cooling towers located on the rooftop of mechanical floor. One cooling tower will be dedicated for the commercial units and the other cooling tower for the residential units.

Three (3) base mounted, centrifugal, suction pumps provided for condenser water circulation. The first pump will be dedicated for the commercial units. The second pump will be dedicated for the residential units. The third pump will be a standby for the commercial units and the residential units.

The cooling tower plant and water circulating pumps sizing are based on ASHRAE Guide recommendations.

4. Individual Units: Common air condensate drain system will be provided for all Residential Units , connected to the condensate system at the 8th floor ceiling. Each home office shall be supplied with 50 cubic feet per minute, heated and cooled, 100% fresh air from central ducted air supply units. Air will be supplied at 70 deg. F. during the heating and 75 deg. F. air during the cooling season.

The Residential Common Areas will be supplied per Ventilation Index requirements, heated and cooled, 100% fresh air from individual ducted air supply units. Air will be supplied at 70 deg. F. during the heating and 75 deg. F. air during the cooling season.

Residential corridors shall be heated and cooled by water source heat pump units. Space temperature is controlled by a space thermostat.

Residential lobby to be heated and cooled by individual water cooled units with steam heating coils.

Compactor room will be cooled by individual water-cooled units.

N. Ventilation:

1. Kitchens:

Interior residential kitchenettes will be ventilated with an exhaust ventilation system exhausting 2 cubic feet of air per minute per square foot from each kitchenette.

2. Fireplaces:

There will be 3 fireplaces in the building. One of the fire places shall be in the Solarium. It will be gas fired. The other two fire places will be in penthouse apartments and shall use wood.

3. Corridors:

Interior corridors will be ventilated with 100% outside supply air per Building Code.

4. Garages:	None.
5. Laundries:	Individual vent-less clothes washers and clothes dryers will be provided in each residential unit. The dryer will be a gas vent-less model.
6. Bathrooms:	Interior residential unit bathrooms will be ventilated with an exhaust ventilation system exhausting 50 cubic feet of air per minute from each bathroom. Interior bathrooms located on the 8th floor amenity space will be ventilated with an exhaust ventilation system exhausting 50 cubic feet of air per minute for each water closet and urinal.
7. Other:	The locker room on the 8th floor will be ventilated with exhaust ventilation capable of exhausting air at a rate of four air changes per hour. Gas meter room will be vented to the outside.
8. Fresh Air:	Fresh air for unit interiors will be available by opening the windows or terrace doors. Home Offices: Provided with 100% outside heated air at 50 cubic feet of air per minute. Home offices are provided with separate heat pump unit.

O. Electrical System:

1. Service from main service switch gear:	The Building is served by two existing Con Edison Services. They are rated for 4000 amps each at 120/ 208 volts, 3 phase 4 wire and terminate in free standing service/distribution switchboards.

switchboards contain metered and un-metered service switches. Power to Floors 4 and above is provided by two (2) existing un-metered bus duct risers connected to existing 5000 amp service switches, one at existing Service 'A' and one at existing Service 'B'. One existing bus duct riser feeds residential and commercial units on floors 4 to 10. The second existing bus dust riser feeds residential floors 11 and above.

2. Service to individual units: From the meter banks, feeders will run to each Residential Unit. Residential Unit feeders will vary in size as required by load and voltage drop.

3. Compartment Switchgear: The Residential Unit meter banks will be located on each residential floor.

4. Unit Service: The circuit breakers will be rated 70 to 100A to comply with New York City Electrical Code and will be able to handle modern usage and appliances such as air conditioners, dishwashers and clothes dryers.

5. Adequacy:

i. Service: Each Residential Unit will have capacity in accordance with New York City Electrical Code requirements in various sizes from 70 to 100 amps at 120/208 volts. The average number of circuits per Residential Unit panel boards will be 24 circuits which will be adequate to handle modern appliances, specifically air conditioners, dishwashers and dryers.

ii. Lighting and fixtures: Switched incandescent lighting fixtures will be provided in Residential Unit bathrooms, foyers and kitchens.

iii. Convenience Outlets, Appliance Outlets: Switched receptacles will be provided in all bedrooms and living rooms to meet the New York City Electrical Code. Ground fault receptacles will be provided in all bathrooms and waterproof devices are provided at Residential Unit balconies or terraces. Lights and receptacles in bedrooms are wired to arc interrupter type circuit breakers.

P. Intercommunication and/or Door Signal Systems, Security Closed Circuit Television: A central intercom system will be installed which will operate over the house telephone system. Each telephone instrument within the Residential Unit can be used for intercom service. Closed circuit television cameras and automatic door locking devices will monitor selected Building entrances with viewing monitors at the concierge's desk and the fitness center desk. The cameras will be designed to cover the immediate area within view of the cameras and will not necessarily cover all of the area involved.

Wiring will be installed in each Residential Unit to enable the Unit Owner to obtain telephone and cable television service at the Unit Owner's expense. The Building will television antenna system.

Q. Public Area Lighting:

All Residential Common Elements including entrances, halls and stairs, corridors, basements will be furnished with fluorescent and/or incandescent fixtures. These fixtures will be of adequate wattage to provide a minimum of 2 foot candles in corridors.

R. Smoke, Sprinkler Alarm &

Existing Class "E" Fire Alarm System will be removed on all residential Floors.

Sprinkler alarm systems will be provided on all residential floors. It will consist of a water flow alarm and trouble switch located in staircase and in the fire pump room. Alarm and trouble condiditon will be individually annunciated at the main control panels and at a private security company.

Area smoke detectors will be provided in all residential, mechanical, electrical and elevator machine rooms. Detectors will be annunciated at the main control panel.

Main control panel will be located on the first floor and the annunciator panel in the residential lobby.

The telephone hard-wired system will be provided for fire-fighters in the stair containing the standpipe.

The system will consist of the main control panel with amplifier on the first floor, telephone handsets in a metal cabinet on each floor, telephone handset

with a retractable cord in pump rooms. A bell will be located above the telephone in the pump room.

S. Garage:

1. Location and description: None.

2. Location of parking areas: N/A

3. Surfaces: N/A

4. Parking: N/A

5. Garage Ventilation: N/A

6. Garage fire protection: N/A

7. Drainage: N/A

T. Swimming Pool: None

U. Tennis courts, playgrounds and recreational facilities:

1. Tennis courts: None

2. Playgrounds: None

3. Other recreation facilities: 3. Other recreation facilities: Recreation facilities are located on 8th and 31st floors.

a.) 8th floor: The following spaces are provided on this floor:

(i.) Fitness room/gym: fitness room shall be approximately 20' x 50' and shall have equipment including, but not limited to: abdominal machine, abductor, inductor, tread mills, stair masters, stationary bikes, weights, smith machine gym benches and barrel racks.

(ii.) a personal training room approximately 9' x 19'.

(iii.) two rooms approximately 13' x 15' to be used as function rooms for unit owners.

(iv.) a TV room approximately 25' x 16'

(v.) auxiliary spaces i.e. reception room, pantry, powder room, lounge (13' x 16') and conference room (9' x 18')

(vi.) an outdoor paved terrace on 8th floor with a water feature and outdoor seating with planters.

b.) 31st floor – the following facilities are provided:

(i.) solarium lounge approximately 37' x 18' with a fire place

(ii.) a library room 9' x 13'

(iii.) a pantry

(iv.) powder and shower room

(v.) outdoor paved recreation space shall have a water feature, seating, planters and a trellis and chaise longues.

V. Permits and certificates:

The Building will be converted under Department of Buildings Permit (# 104 30 50 57 . Subsequent permits for the compactor(s), elevator(s) and plumbing will be issued by the City of New York.

V. Violations:

There are no open/active DOB violations on the property as on Feburary 13th, 2006.

W. Unit information:

The will be 167 residential units in the Building.

The unit designations will be assigned by an indication of the marketing floor no. and a letter. The Residential Units are either 0 bedroom, 1 bedroom, 2 bedrooms with kitchen, dining room, living room, bathroom and home office as specified for each unit below.

Unit purchasers must note that home office rooms may not be used as bedrooms, living rooms or dining areas under any circumstances. This will be contrary to code and would result in violations being posted against the building.

S. #.	Existing Floor	Unit Designation [resid. floor and unit number]	Unit Description	Approximate Square Footage	Approximate Square Footage of Terrace

1.	8	10A	1 Bedroom	718	
2.	8	10B	1 Bedroom	845	
3.	9	11A	1 Bedroom	931	
4.	9	11B	1 Bedroom	859	
5.	9	11C	Studio	581	
6.	9	11D	1 Bedroom	823	
7.	9	11E	1 Bedroom + 1 HO	1,100	
8.	9	11F	Studio	313	
9.	9	11G	1 Bedroom	739	
10.	9	11H	1 Bedroom + 1 HO	1,338	
11.	10	12A	1 Bedroom	931	
12.	10	12B	1 Bedroom	859	
13.	10	12C	Studio	581	
14.	10	12D	1 Bedroom	823	
15.	10	12E	1 Bedroom + 1 HO	1,100	
16.	10	12F	Studio	613	
17.	10	12G	1 Bedroom	739	
18.	10	12H	1 Bedroom + 1 HO	1,138	
19.	11	14A	1 Bedroom	931	
20.	11	14B	1 Bedroom	859	
21.	11	14C	Studio	581	
22.	11	14D	1 Bedroom	823	
23.	11	14E	1 Bedroom + 1 HO	1,100	

24.	11	14F	Studio	613	
25.	11	14G	1 Bedroom	739	
26.	11	14H	1 Bedroom + 1 HO	1,338	
27.	12	15A	1 Bedroom	932	
28.	12	15B	2 Bedrooms	1,123	
29.	12	15C	1 Bedroom + 1 HO	1,161	
30.	12	15D	1 Bedroom	943	
31.	12	15E	Studio	475	
32.	12	15F	1 Bedroom	674	
33.	12	15G	1 Bedroom + 1 HO	1,338	
34.	13	16A	1 Bedroom	930	
35.	13	16B	1 Bedroom	1,066	
36.	13	16C	Studio	582	
37.	13	16D	1 Bedroom	826	
38.	13	16E	1 Bedroom + 1 HO	1,115	
39.	13	16F	1 Bedroom	934	
40.	13	16G	Studio	570	
41.	13	16H	1 Bedroom + 1 HO	1,337	
42.	14	17A	1 Bedroom	930	
43.	14	17B	1 Bedroom	1,066	
44.	14	17C	Studio	582	
45.	14	17D	1 Bedroom	826	
46.	14	17E	1 Bedroom + 1 HO	1,115	
47.	14	17F	1 Bedroom	934	

48.	14	17G	Studio	570	
49.	14	17H	1 Bedroom + 1 HO	1,337	
50.	15	18A	1 Bedroom	930	
51.	15	18B	1 Bedroom	1,066	
52.	15	18C	Studio	582	
53.	15	18D	1 Bedroom	826	
54.	15	18E	1 Bedroom + 1 HO	1,115	
55.	15	18F	1 Bedroom	934	
56.	15	18G	Studio	570	
57.	15	18H	1 Bedroom + 1 HO	1,337	
58.	16	19A	1 Bedroom	930	
59.	16	19B	1 Bedroom	1,066	
60.	16	19C	Studio	582	
61.	16	19D	1 Bedroom	826	
62.	16	19E	1 Bedroom + 1 HO	1,115	
63.	16	19F	1 Bedroom	934	
64.	16	19G	Studio	570	
65.	16	19H	1 Bedroom + 1 HO	1,337	
66.	17	20A	1 Bedroom	930	
67.	17	20B	1 Bedroom	1,066	
68.	17	20C	Studio	582	
69.	17	20D	1 Bedroom	826	
70.	17	20E	1 Bedroom + 1 HO	1,115	
71.	17	20F	1 Bedroom	934	

72.	17	20G	Studio	570	
73.	17	20H	1 Bedroom + 1 HO	1,337	
74.	18	21A	1 Bedroom	930	
75.	18	21B	1 Bedroom	1,066	
76.	18	21C	Studio	582	
77.	18	21D	1 Bedroom	826	
78.	18	21E	1 Bedroom + 1 HO	1,115	
79.	18	21F	1 Bedroom	934	
80.	18	21G	Studio	570	
81.	18	21H	1 Bedroom + 1 HO	1,337	
82.	19	22A	1 Bedroom	930	
83.	19	22B	1 Bedroom	1,066	
84.	19	22C	Studio	582	
85.	19	22D	1 Bedroom	826	
86.	19	22E	1 Bedroom + 1 HO	1,115	
87.	19	22F	1 Bedroom	934	
88.	19	22G	Studio	570	
89.	19	22H	1 Bedroom + 1 HO	1,337	
90.	20	23A	1 Bedroom	930	
91.	20	23B	1 Bedroom	1,0721,066	
92.	20	23C	Studio	582	
93.	20	23D	1 Bedroom	826	
94.	20	23E	1 Bedroom + 1 HO	1,115	
95.	20	23F	1 Bedroom	934	

96.	20	23G	Studio	570	
97.	20	23H	1 Bedroom + 1 HO	1,337	
98.	21	24A	1 Bedroom	950	
99.	21	24B	1 Bedroom	1,066	
100.	21	24C	Studio	590	
101.	21	24D	1 Bedroom + 1 HO	1,004	
102.	21	24E	1 Bedroom	772	108
103.	21	24F	Studio	521	72
104.	21	24G	1 Bedroom	824	120
105.	21	24H	1 Bedroom + 1 HO	1,149	161
106.	22	25A	1 Bedroom	950	
107.	22	25B	1 Bedroom	1,066	
108.	22	25C	Studio	590	
109.	22	25D	1 Bedroom + 1 HO	1,004	
110.	22	25E	1 Bedroom	772	
111.	22	25F	Studio	521	
112.	22	25G	1 Bedroom	824	
113.	22	25H	1 Bedroom + 1 HO	1,149	
114.	23	26A	1 Bedroom	950	
115.	23	26B	1 Bedroom	1,066	
116.	23	26C	Studio	590	
117.	23	26D	1 Bedroom + 1 HO	1,004	
118.	23	26E	1 Bedroom	772	
119.	23	26F	Studio	521	

120.	23	26G	1 Bedroom	784	
121.	23	26H	1 Bedroom + 1 HO	1,149	
122.	24	27A	1 Bedroom	950	
123.	24	27B	1 Bedroom	1,066	
124.	24	27C	Studio	590	
125.	24	27D	1 Bedroom + 1 HO	1,004	
126.	24	27E	1 Bedroom	772	
127.	24	27F	Studio	521	
128.	24	27G	1 Bedroom	784	
129.	24	27H	1 Bedroom + 1 HO	1,149	
130.	25	28A	1 Bedroom	963	
131.	25	28B	1 Bedroom	1,066	
132.	25	28C	Studio	590	
133.	25	28D	1 Bedroom + 1 HO	1,004	
134.	25	28E	1 Bedroom	771	
135.	25	28F	Studio	518	
136.	25	28G	1 Bedroom	787	
137.	25	28F	1 Bedroom + 1 HO	1,124	
138.	Roof	PH1-A	1 Bedroom	964	
139.	Roof	PH1-B	1 Bedroom	1,071	
140.	Roof	PH1-C	2 Bedrooms + 1 HO	1,587	
141.	Roof	PH1-D	1 Bedroom	769	
142.	Roof	PH1-E	Studio	516	
143.	Roof	PH1-F	1 Bedroom	785	

144.	Roof	PH1-G	1 Bedroom + 1 HO	1,125	
145.	New	PH2-A	1 Bedroom	964	
146.	New	PH2-B	1 Bedroom	1,071	
147.	New	PH2-C	2 Bedrooms + 1 HO	1,587	
148.	New	PH2-D	1 Bedroom	769	
149.	New	PH2-E	Studio	516	
150.	New	PH2-F	1 Bedroom	785	
151.	New	PH2-G	1 Bedroom + 1 HO	1,125	
152.	New	PH3-A	1 Bedroom	964	
153.	New	PH3-B	1 Bedroom	1,071	
154.	New	PH3-C	2 Bedrooms + 1 HO	1,587	
155.	New	PH3-D	1 Bedroom	769	
156.	New	PH3-E	Studio	516	
157.	New	PH3-F	1 Bedroom	785	
158.	New	PH3-G	1 Bedroom + 1 HO	1,125	
159.	New	PH4-A	1 Bedroom	964	
160.	New	PH4-B	1 Bedroom	1,071	
161.	New	PH4-C	2 Bedrooms + 1 HO	1,587	
162.	New	PH4-D	1 Bedroom	769	
163.	New	PH4-E	Studio	516	
164.	New	PH4-F	1 Bedroom	785	
165.	New	PH4-G	1 Bedroom + 1 HO	1,125	
166.	New	PH5-A	3 Bedrooms	3,424	200 sf

167.	New	PH5-B	2 Bedrooms + 1 HO	2,361	200 sf

1. Type and Grade of Finish Material:

Finish Schedule for Typical Apartment Unit:

Room	Floor	Walls	Base	Ceiling	Type of Covering	Remarks
Foyer	Hardwood	Drywall	Wood	Drywall	Paint	*Engineered. Wood Veneer w/ Stone Border
Living/Din	Hardwood	Drywall	Wood	Drywall	Paint	*Engineered. Wood Veneer w/ Stone Border
Bedrooms	Hardwood	Drywall	Wood	Drywall	Paint	*Engineered. Wood Veneer w/ Stone Border
Kitchen	Natural Stone	Drywall	Natural Stone	Drywall	Paint	
Bathroom	Natural Stone	Drywall /Natural Stone	Natural Stone	Drywall	Paint	
Closets	Hardwood	Drywall	Wood	Drywall	Paint	
Home Office	Hardwood	Drywall	Wood	Drywall	Paint	*Engineered. Wood Veneer w/ Stone Border
Laundry Closet	Stone	Drywall	Stone	Drywall	Paint	

* Wood flooring shall be dark walnut veneer engineered floor glued down with foam backing.

2. Presence, Type and Condition of all Bathroom Fixtures:

Unit Bathroom Fixtures (as shown or equivalent):

Fixture	Manufacturer	Model/Model#
Lavatory	Kohler	K-2332 "Watercove"
Lavatory Powder Room	Kohler	K-19047 "Escale"
Lavatory Trim	Dornbracht	20.710.890.00
Water Closet	Kohler	K-3466 "San Raphael"
Bath Tub	Kohler	K-711 "Ironworks"
Bathtub & Shower Trim	Dornbracht	25.613.890.00

3. Presence, Type and Condition of Kitchen and Laundry Equipment:

Unit Kitchen Appliances:

Appliance	Manufacturer	Model/Model#
Dishwasher	Bosch	SHV99A 13UC
Cook Top	Miele	KM3464G
Oven	Miele	H4780B
Microwave w/Hood	Bosch	HMV9305
Refrigerator	Sub-Zero	700 BC REF/Freezer Drawers
Sink	Elkay	EFU 211510 (Stainless Steel Undermount)
Sink Trim	Dornbracht	ELJO 33870790 Single Lever Mixer w/ Spray
Island Hood	Miele	DA270U

Unit Laundry equipment:

Appliance	Manufacturer	Model/Model#
Washer	Bosch	AXXIS WFL2060
Dryer	Bosch	AXXIS WTL5410

Other Fixtures:

Fitness Center and Lounge Fixtures (as shown or equivalent):

Appliance	Manufacturer	Model/Model#
Vanity Sink/ Lavatory	Duravit	Phillipe Stark "large" [white]
Public Vanity Faucet	Dornbracht	EMote 36.752.850.00 [chrome]
Toilet	Toto	CT-708V [white] ADA
Urinal	Toto	UT-104V [white] ADA
Urinal Flushometer	Toto	Concealed w/Wall Box [chrome]
Toilet Flushometer	Toto	Concealed w/Wall Box [satin nickel]
Shower Set	Dornbracht	25.613.890.00 [chrome]

Cellar Toilet Fixtures [as shown or equivalent]:

Fixture	Manufacturer	Model/Model#
Lavatory	Kohler	K-2211 "Caxton" [white]
Lavatory Trim	Kohler	K-15592-5P [chrome]
Water Closet	Toto	CT-708V [white] ADA
Urinal	Toto	UT-104V [white] ADA

X. Finish Schedule for Spaces Other Than Dwelling Units:

Space	Floor	Walls	Ceilings	Base
Entrance Lobby	Natural Stone/Wood	Natural Stone/Wood/Painted Plaster	Drywall	Stone
Fire Stairs	Concrete	Painted Gypsum Board/CMU	Painted Gypsum Board	N/A
Public Halls	Carpet w/ Wood Border	DrywallWood Lattices	Drywall	Wood
Electrical Closets	Resilient Floor	Drywall/Paint	Drywall	N/A
Cellar Storage	Paint/Concrete	Chain Link	Chain Link	N/A
Refuse Rooms	Ceramic Tile	Drywall/Ceramic Tile	Drywall	Tile
Mechanical Room	Deck Coating/Concrete	Concrete	Concrete	N/A
Fitness Room	Hardwood	Drywall/Paint	Drywall	Wood
Virtual Golf		Drywall/Paint	Drywall	
Reception	Carpet	Drywall/Paint	Drywall	Wood
Lounge	Hardwood	Drywall/Paint	Drywall	Wood
Function Room	Wood	Drywall/Paint	Drywall	Wood
Resident Management Office	Carpet	Glass/Wood Lattic	Drywall	Wood
Outdoor Deck				
Powder Room	Stone	Drywall/Paint	Drywall	Stone
Laundry Room	Ceramic Tile	Drywall/Ceramic Tile	Drywall	Tile
Pantry	Stone	Drywall/Paint	Drywall	Stone

Y. Safety and Warning Devices: All Residential Units will be provided with combination hard-wired smoke and carbon monoxide detectors. Each Residential Unit will contain a hard-wired detection device in the vicinity of the bedroom. The smoke and carbon monoxide detector will have a local sounding device.

The Building will retain the Class E Fire Alarm System for commercial floors 1-7. The residential portion of the Building will be serviced by a sprinkler alarm and trouble annunciation system installed at the control panel and area smoke and heat detectors installed in the electrical, mechanical and elevator machine rooms. An alarm or trouble condition in the system will be automatically transmitted to a central office via an automatic telephone dialer. For floors 8 and up, a fireman's telephone system will be installed at the staircase containing the standpipe riser to permit communication between the firefighter on the floor and the command station in the lobby.

Z. Additional Information:

1. Site Plan: A site plan showing landscape features, roads, the outside dimensions of the building(s) and designated common areas, including recreation and refuse disposal areas, and all privately owned access roads (Refer "Exhibit -A").

2. Area Map: Not required [located in the New York City area map].

3. Floor Plan: A floor plan for each line or type of unit drawn to scale, indicating room dimensions and unit boundaries will be attached as "Exhibit - B" (not yet issued).

4. Floor to ceiling heights of units: This information is provided in Section G.

5. Approx. total area of each unit: This information is provided in Section W.

6. Master floor plan: A master plan showing unit boundaries and the relationship of units to each other. The master floor plan may be omitted if the site plan clearly shows unit boundaries and appropriate unit designations. Complete floor plans are attached. Refer section "G".

AA. Additional Testing: No testing required

BB. Further Development:

1. Submission of plans for additional units: Sponsor will submit plans and specifications approved by all necessary local governmental agencies before the offering plan may be accepted for filing.

2. Additional units on top: None

   i. Capacity of Existing Structure: The existing structure will not have sufficient capacity to support the additional load due to the units to be added.

   ii. Resulting height: N/A

3. Components: N/A

4. Effect of additional units: N/A

5. Shared facilities: N/A

6. Effect of renovation on tenants: N/A

CC. Asbestos: Refer to separate exhibit for asbestos report provided by sponsor's consultant (s). This is not provided by the architect.

DD. Lead-based Paint: Refer to separate exhibit for asbestos report provided by sponsor's consultant (s). This is not provided by the architect.

Supplemental Documents

(1) A site plan showing landscape features, roads, the outside dimensions of the building(s) and designated common areas, including recreation and refuse disposal areas, and all privately owned access roads. The site plan may be omitted if the building covers the entire lot.

(2) An area map showing the location of the condominium with respect to its surroundings, if the condominium is not located in a highly urban area.

(3) Floor plan for each line or type of unit drawn to scale, indicating room dimensions and unit boundaries.

(4) A master floor plan showing unit boundaries and the relationship of units to each other. The master floor plan may be omitted if the site plan clearly shows unit boundaries and appropriate unit designations.

(5) Asbestos report.

(6) Lead based paint report.



Avinash K. Malhotra Architects.

Sworn before this 21 day of September 2006

By _____

Avinash K. Malhotra, Principal

_____ Notary

STEPHANIE MARCIANO
Notary Public, State of New York
Lic. # 01MA6014851
Qualified in Queens County
Commission Expires Oct. 19, 2006

EXHIBIT "A"

SITE PLAN

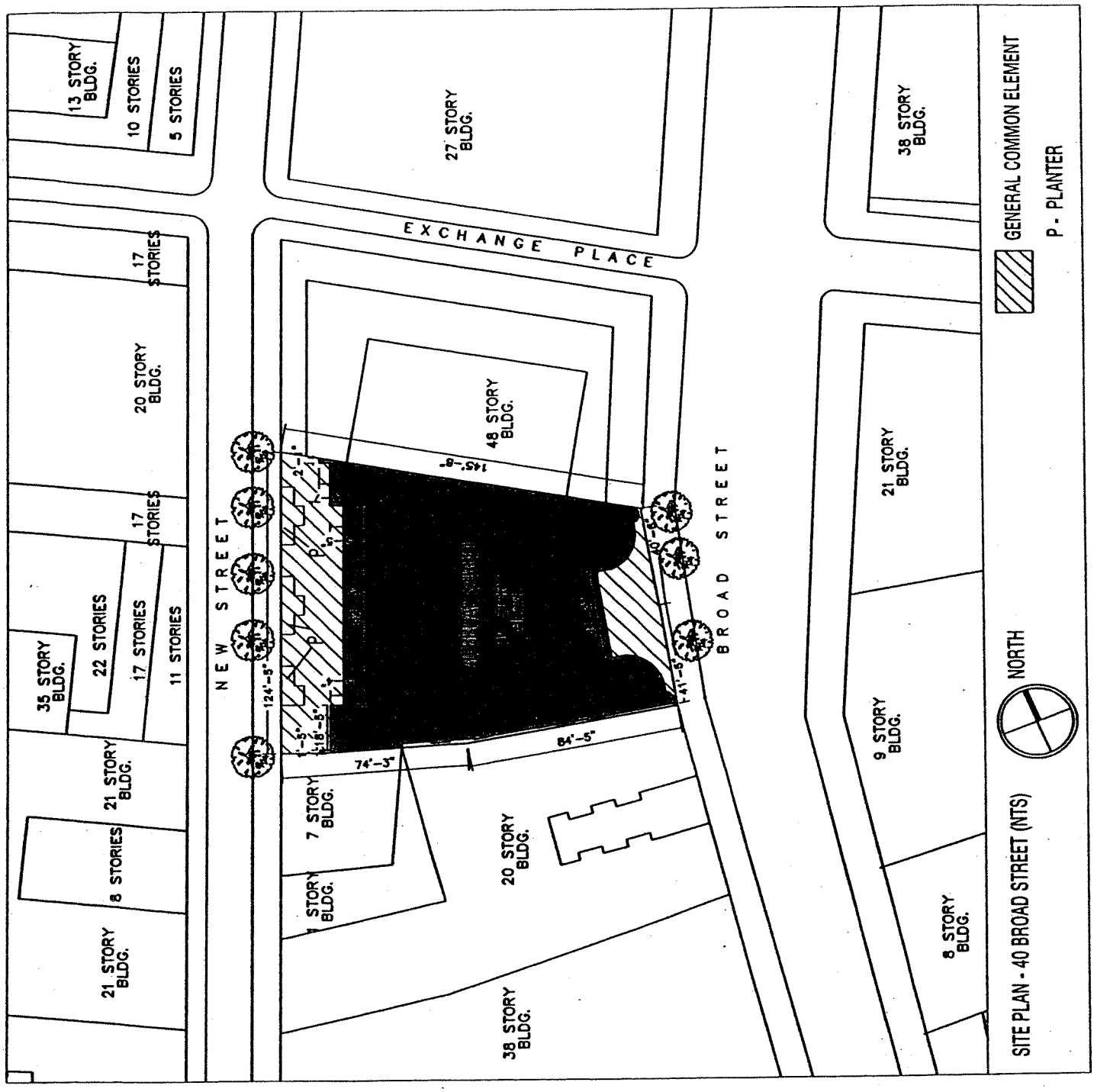

13 STORY BLDG.
10 STORIES
5 STORIES
27 STORY BLDG.
38 STORY BLDG.
EXCHANGE PLACE
17 STORIES
20 STORY BLDG.
48 STORY BLDG.
21 STORY BLDG.
35 STORY BLDG.
22 STORIES
17 STORIES
11 STORIES
NEW STREET
BROAD STREET
8 STORIES
7 STORY BLDG.
1 STORY BLDG.
9 STORY BLDG.
8 STORY BLDG.
GENERAL COMMON ELEMENT
P - PLANTER
NORTH
SITE PLAN - 40 BROAD STREET (NTS)

EXHIBIT "B"

UNIT PLANS

SEE FLOOR PLANS AT EXHIBIT 6

EXHIBIT "C"

LOCAL LAW 11/98 REPORT

Contents

Introduction

- Building Information
- Exterior Wall
- Construction
- Repair History
- General Observations
- Review of Prior Report
- Method of Examination

Description of Conditions

Photographs

Introduction

This report contains Hoffmann Architects' account of current exterior conditions for the building at 40 Broad Street, New York, NY. In compliance with Local Law 11/1998, section 27-129 of the New York City Administrative Code and RCNY 32-03, the observations pertain to the periodic inspection of exterior walls and appurtenances. Hoffmann Architects has noted in this report the status of any "Unsafe Conditions" existing at the time of inspection and has provided recommendations to remedy any "Safe with a Repair and Maintenance Program" conditions observed.

Building Information

Building Name: 40 Broad Street

Address: 40 Broad Street

City, State: New York, New York

AKA Address: None

Location from nearest cross street: 88' south of Exchange Place

Block: 24

Lot: 32

Landmark status: No

Owner or Owner's Agent: Tower Realty Management

Mailing Address: 40 Broad Street

City, State: New York, New York 10004

Telephone Number: 646-826-2156

Contact: Mr. Larry Spahn

Year built: 1981

Height, Stories: 25 stories

Plan Dimensions: Irregular Property Line:
Broad St. frontage 99'
New St. frontage 126'-10"
South wall – 150'-9"
North wall – 158'-8"

Certificate of Occupancy Number: 88123

Building Use: Commercial

Exterior Wall Construction

Wall Construction: 40 Broad Street is a steel framed building with granite panels and aluminum framed windows at the Broad Street main entrance elevation from the ground floor to the 6th floor setback. The façade above the 6th floor consists of precast concrete panels with aluminum framed windows from the up to the 25th floor. The building has three roof setbacks on the 6th, 7th and 22nd floors at the Broad Street elevation. The New Street façade is constructed of precast concrete panels with aluminum framed windows. This façade slopes back from the 11th floor to the 25th floor. The main roof consists of an EPDM membrane protected with gravel ballast and concrete pavers on insulation. A concrete runway wraps around the north side of the roof. The three setback roofs consist of EPDM membrane protected by insulation and concrete pavers.

Windows: The windows are aluminum framed, fixed window units. The east elevation windows above the 11th floor are set in the angled portion of the façade.

Repair History

Past history of repairs and revisions to exterior wall: In 1984 a repair program addressed the facade and the roof. In 1990 granite was pointed on the east elevation. In 1994 repairs were performed based on 1994 LL-10 reports. Sealant joints were recently replaced at the main entrance and the 6th floor parapet. The existing sealant was recently repaired with a "skim-coat" of sealant material applied over the existing deteriorated sealant joint. Inspection of the sealant joints between the panels and the window frame revealed insufficient sealant joint depth.

General Observations

Water-tightness of exterior surfaces: The water-tightness of 40 Broad Street is poor. Areas of potential water infiltration were observed and documented in this report. These include:

1. Open coping sealant joints throughout the building.
2. Open sealant joints between the adjacent buildings.
3. Open sealant joints at the main roof and setback metal cap flashings.
4. Deteriorated panel sealant joints throughout the building.
5. Failed adhesion at the window frame sealant joints.

Calcified efflorescence was observed at the majority of window frames and glazing at both facades. This condition appears to be caused by water infiltrating the porous concrete panel surfaces and migrating down through the panel. The lime in the concrete is washed out as moisture leaches out at the bottom of the panels and is deposited on the window frame and glass.

Status of Exterior Maintenance: A stone sealer is scheduled to be applied to the precast concrete panel surface starting in Jan. 2002. Workers were observed power washing the façade at the time of this inspection. The custodian engineer stated that replacement of the joint sealant was scheduled to begin after the stone sealer application.

Review of Prior Report

Facade Inspection Prepared by: Hoffmann Architects 500 Fifth Avenue, Suite 830 New York, NY 10110-0899

Date: August 21, 1996

Facades excluded by Prior LL-10 Report: None

Category under which the building was filed: Conformed with Code Requirements

Summary of condition of building reported in prior report: The building was reported to be in good condition. The general condition of the sealant was reported to be poor and in need of replacement.

Method of Examination

Visual: A site visit was made on November 29, 2001 by Mr. Kevin Smith, Project Coordinator to perform an initial inspection of the building. The observations documented on this day were obtained by visual examination from the street level and the roof and setbacks with binoculars.

Detailed description of representative scaffold inspection: One hanging scaffold inspection was made on January 17, 2002. This inspection was located at the North portion of the East (New Street) elevation. The house window-washing rig was used to complete this inspection.

Examination Period: November 29, 2001 thru January 17, 2002

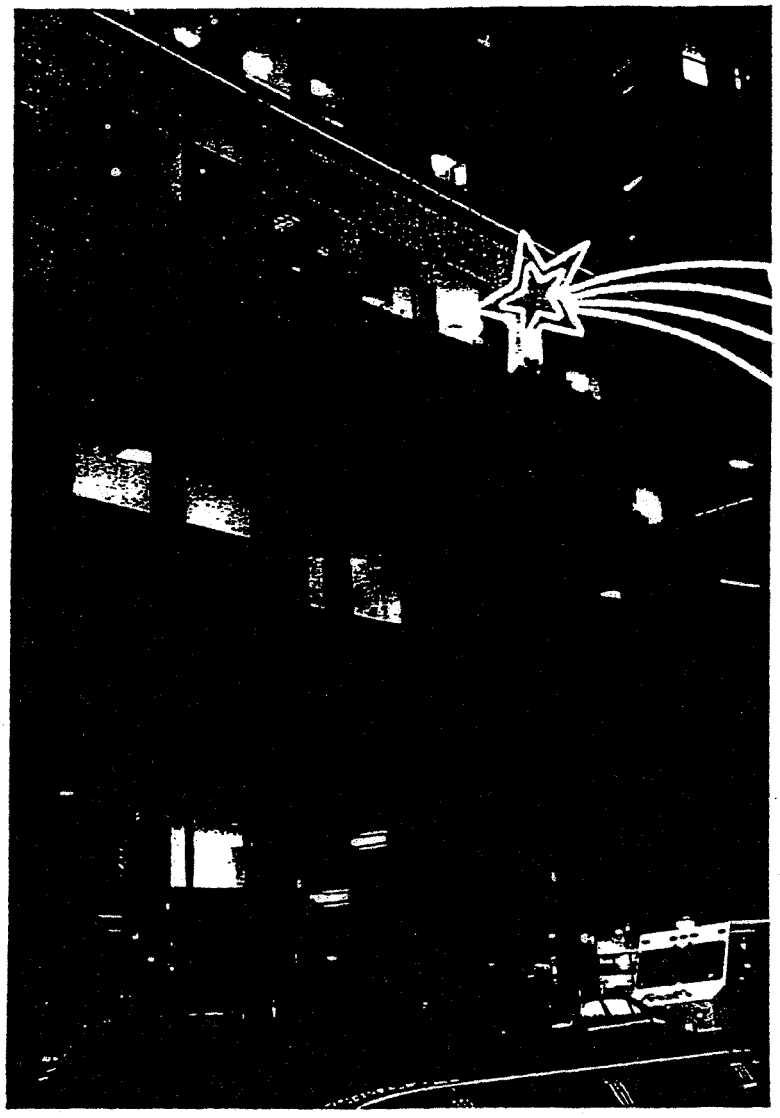
Probes: No probes were taken.

Description of Conditions

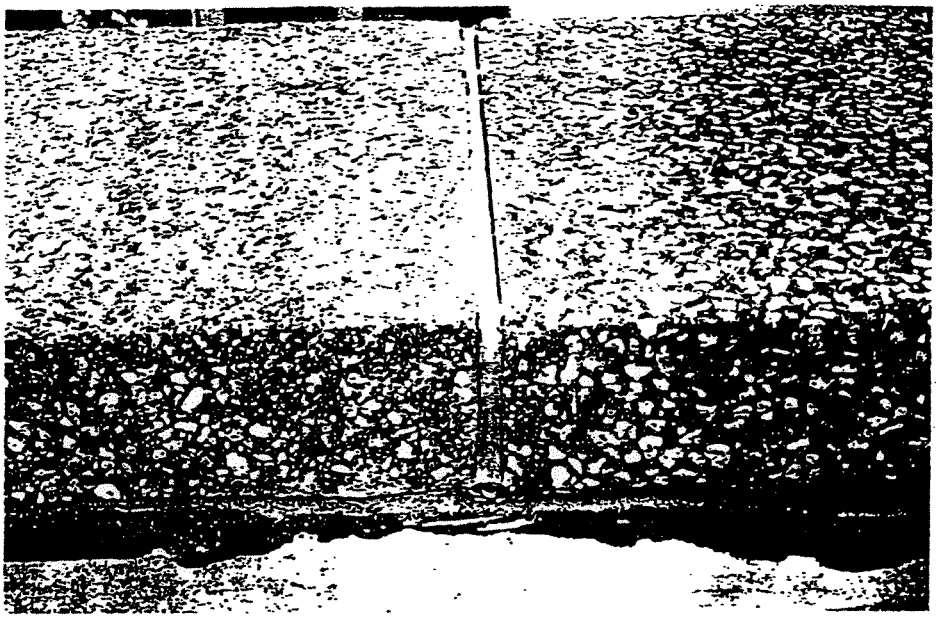
Reference	Condition	Status / Recommendations
	Unsafe	
U.01	None	
	Safe with a Repair and Maintenance Program	
R.01	None	

Legend	**U.x**	**Unsafe Condition:** A condition of a building wall, any appurtenances thereto or part thereof that is dangerous to persons or property and requires prompt remedial action.
	R.x	**Safe with a Repair and Maintenance Program:** A condition of a building wall, any appurtenances thereto or any part thereof that is safe at the time of inspection, but requires repairs or maintenance during the next five years in order to prevent its deterioration during that five year period to any unsafe condition.
		*x represents the specific condition number

Photographs



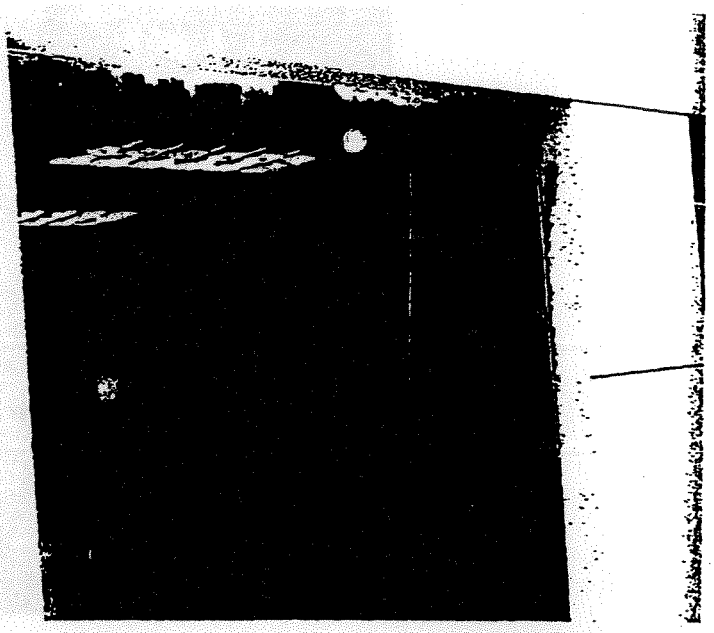
1. View of West Elevation – Broad Street Entrance



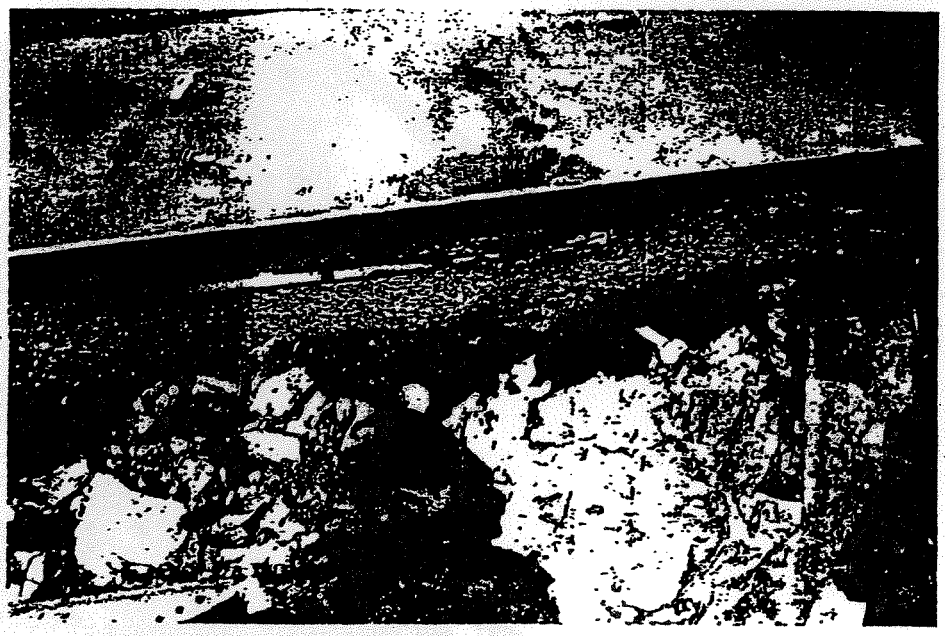
2. View of open coping sealant joint.



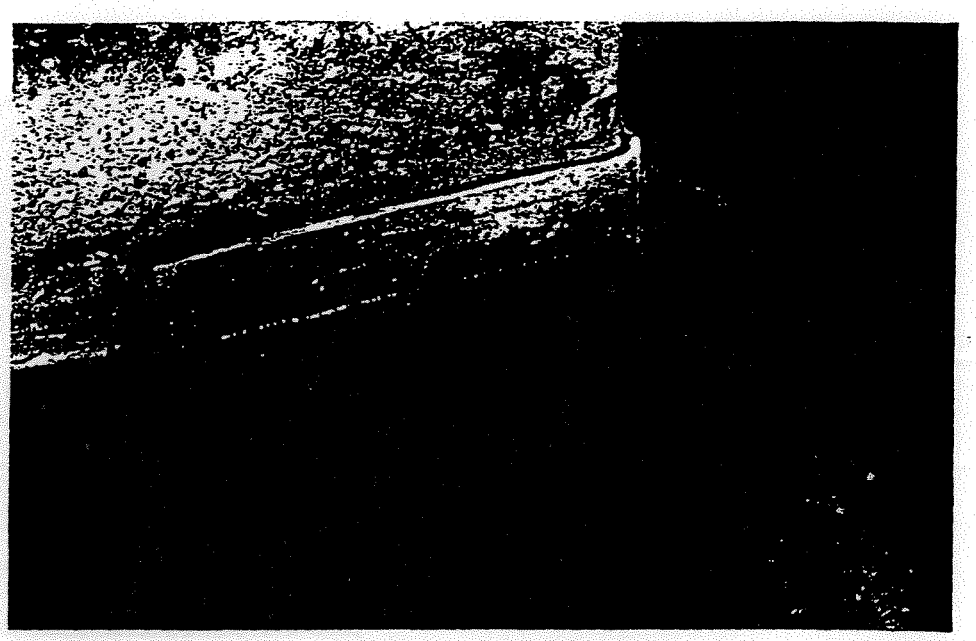
3. View of open sealant joint at adjoining building.



4. View of efflorescence at 7th Floor Terrace windows.



5. View of open metal flashing at 7th Floor setback roof. (Note debris on roof)



6. View of open metal flashing at 7th Floor setback roof concrete parapet.



7. View of vegetation around drain at 22nd Floor Terrace.

NEW YORK CITY
DEPARTMENT OF BUILDINGS

Technical Report
Periodic Inspection of
Exterior Walls and Appurtenances

February 21, 1999 - February 21, 2002
Please File 3 Copies
This Form Must Be Typewritten and Microfilmed with the Report

2002 FEB -8

Control # for location
From DOB LL 11/98 Master printout

Cycle Number:

1 Filing Status

X	Initial Filing		Amended Filing Indicate initial filing date: ___/___/___		Supplemental Cycle 4 Local Law 11/98 Filing
	Was filing made for any previous cycles (yes/no)? If yes, indicate last filing date: ___/___/___				Indicate initial filing date: ___/___/___

2 Location

Borough	MANHATTAN	Block	24	Lot(s)	32
House No(s).	40	Street Name	BROAD STREET		
	A.K.A. address(es)				

BIN

3 Applicant

Last Name	HOFFMANN	First Name	JOHN	M.I.	J.
Business Name	HOFFMANN ARCHITECTS			Business Phone	(212) 789-9915
Address	500 FIFTH AVENUE, SUITE 830	City	NEW YORK	State	NY ZIP 10110
	P.E.	X	R.A.	Lic. No.	014461

4 Owner

Last Name	ESCHMANN	First Name	JAMES	M.I.	
Business Name	TOWER REALTY MANAGEMENT			Business Phone	(646) 826-2156
Address	40 BROAD STREET	City	NEW YORK	State	NY ZIP 10004

5 Building Characteristics

Number of Stories	25	X	Exterior Wall Type	GRANITE/CAST CONCRETE W/ALUMINUM WINDOWS	

6 Prior Status - Last Cycle Local Law 10/80

	Ongoing Maintenance Program		Precautionary Conditions		Unsafe Conditions
X	Conformed with Code Requirements		Current Completion of Work Estimated to be %		Current Completion of Work Estimated to be %

7 Current Field Report - Critical Examination

X	SAFE:	All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives.
	SAFE WITH A REPAIR AND MAINTENANCE PROGRAM:	All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives except for the recommended Repair and Maintenance work described in the report and below:
	UNSAFE:	All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives except for the unsafe conditions described in the report and below:

8 Statements and Signatures

Falsification of any statement is a misdemeanor under Section 26-124 of the Administrative code and is punishable by a fine or imprisonment, or both.
It is unlawful to give to a city employee, or for a city employee to accept, any benefit, monetary or otherwise, either as a gratuity for property performing the job or in exchange for special consideration.-Violation is punishable by imprisonment or fine or both.

RE. R.A. Seal

Applicant's name (print): JOHN J. HOFFMANN, FAIA

I, hereby state that the owner has authorized me to make this application. Furthermore, I hereby state that all statements are correct and complete to the best of my knowledge. A copy of this report has been given to the owner.

Applicant's signature:

Date: 1/25/02

Owner's name (print): JAMES ESCHMANN

I, hereby state that I am the owner of the premises referenced in the attached report. Furthermore, I hereby state that I have received a copy of the attached report and that I am aware of the required repairs and/or maintenance, if any, and the recommended time frame for same.

Owner's signature

Date: 1/29/02

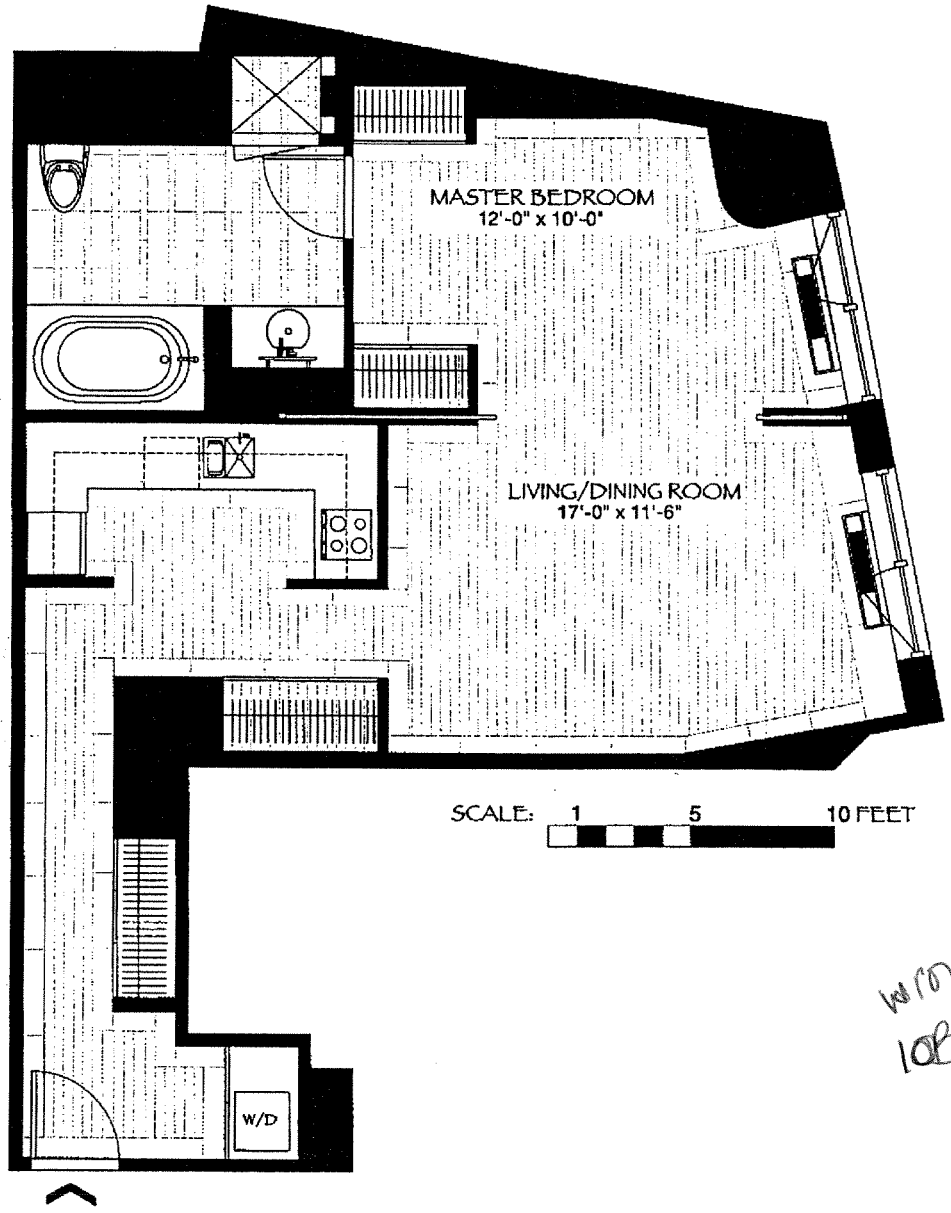
SEE INSTRUCTIONS ON REVERSE SIDE

TR-6 Revised 09-98

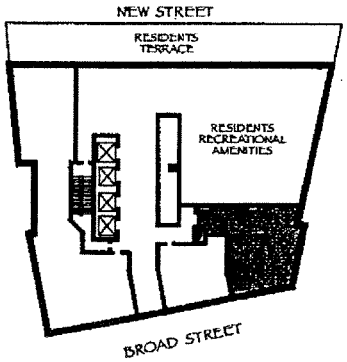
EXHIBIT 6

FLOOR PLANS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.



wrong
10B

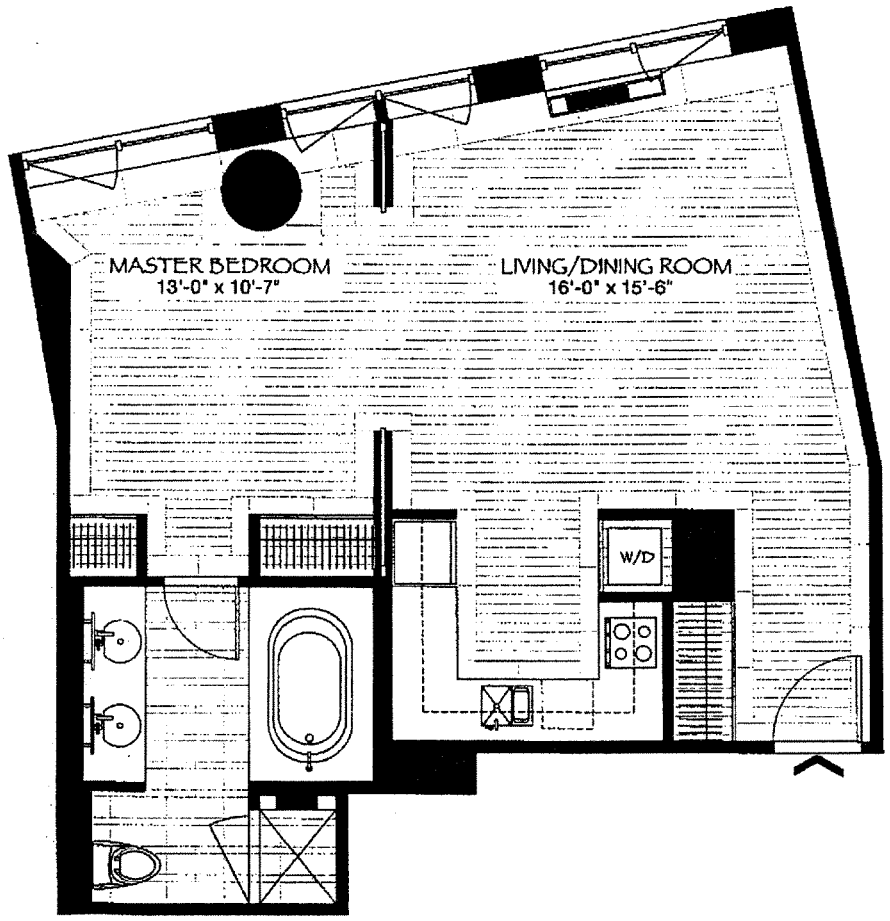


N

THE SETAI, NEW YORK
RESIDENCE A
10th FLOOR
1 BEDROOM, 1 BATH

REV. 11/1/06

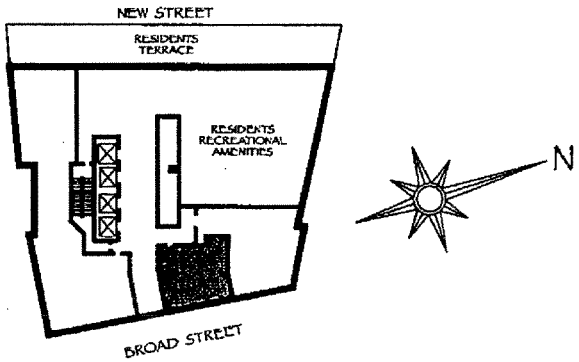
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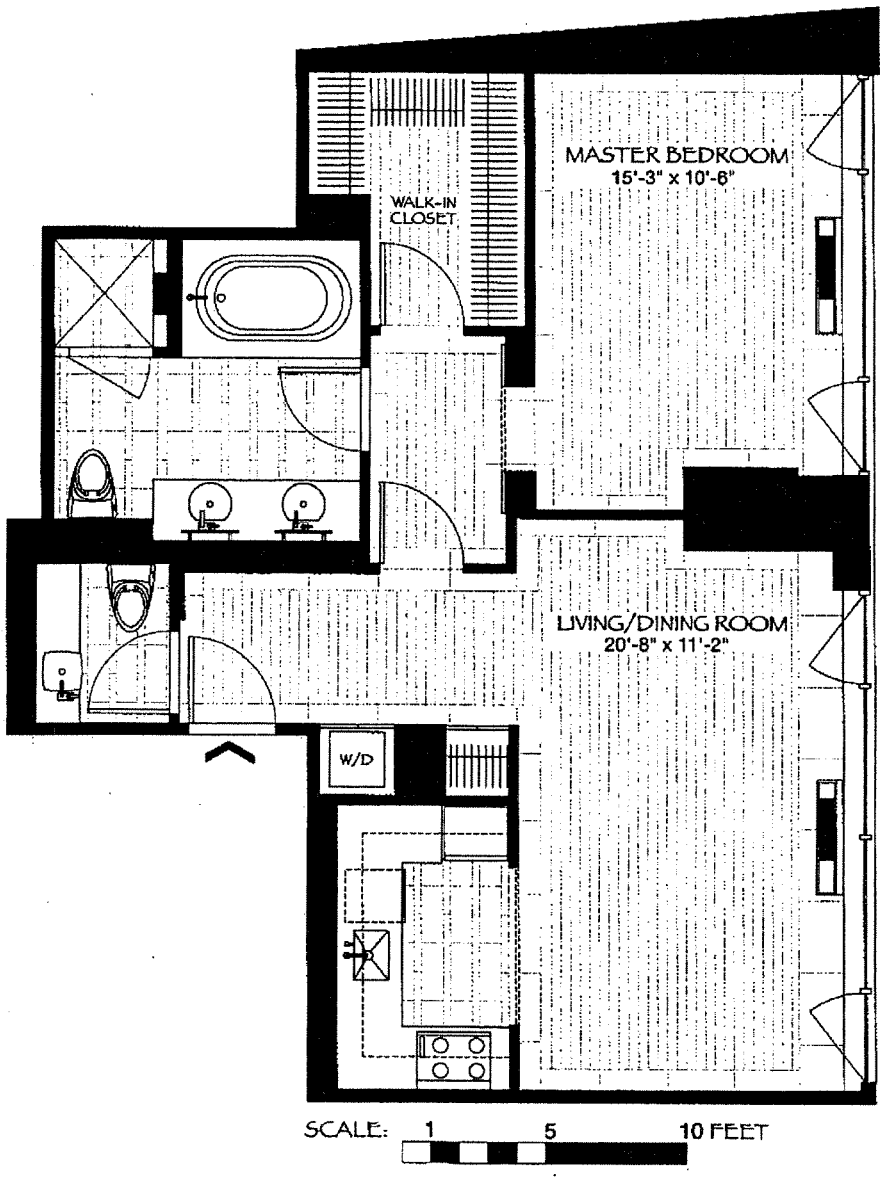
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THE SETAI, NEW YORK
RESIDENCE B
10th FLOOR
1 BEDROOM, 1 BATH

REV. 11/1/06

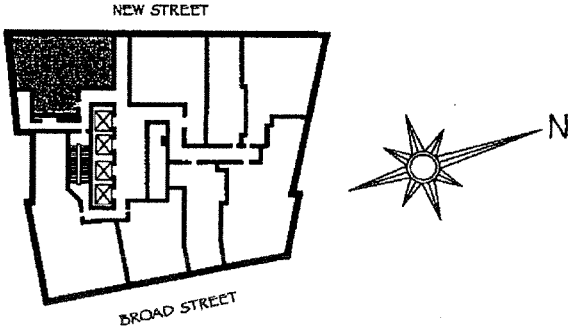


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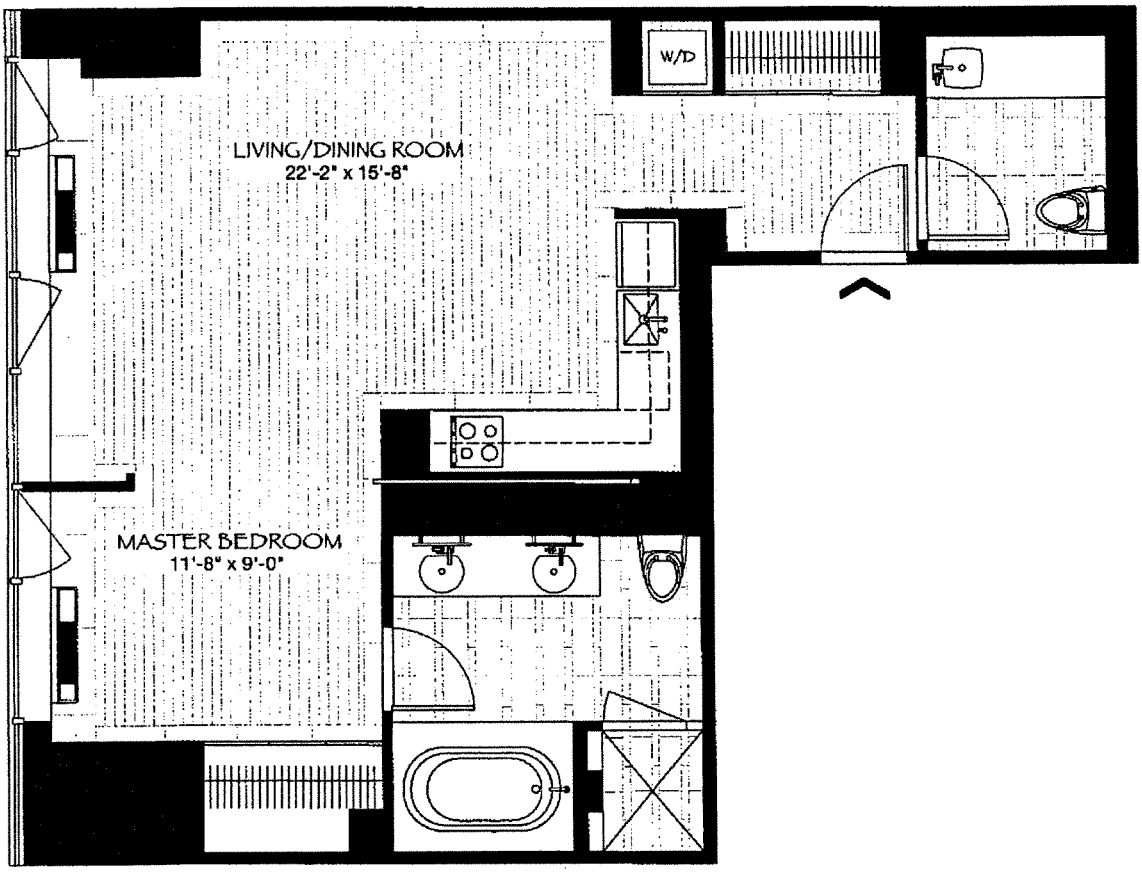


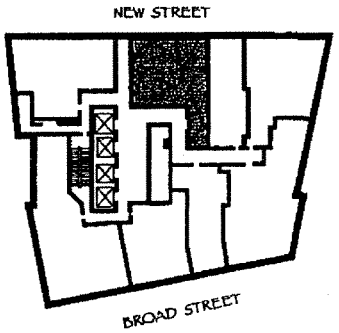
THE SETAI, NEW YORK
RESIDENCE A
FLOORS 11-14
1 BEDROOM, 1 1/2 BATHS

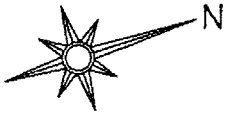
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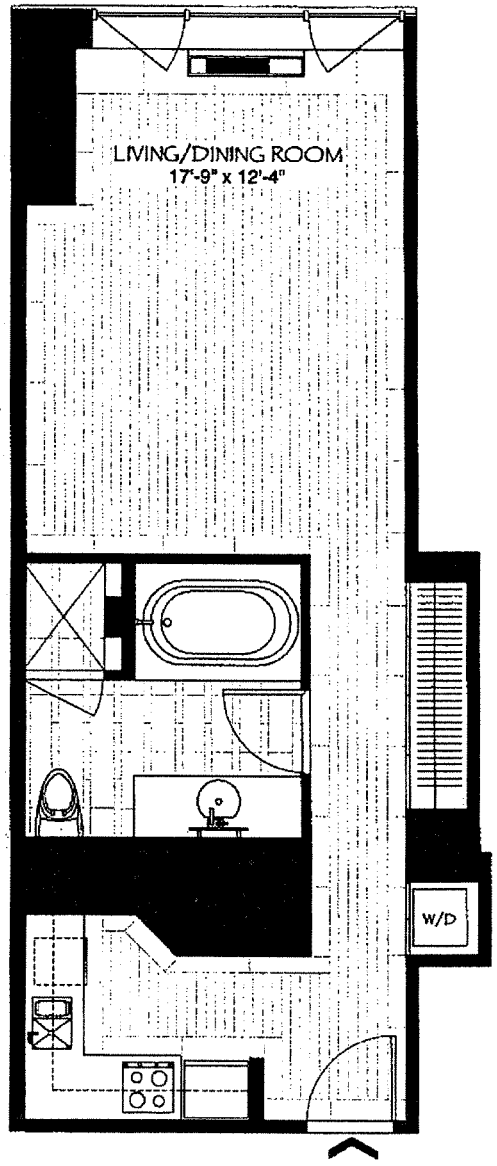




THE SETAI, NEW YORK
RESIDENCE B
FLOORS 11-14
1 BEDROOM, 1 1/2 BATHS

REV. 11/1/06

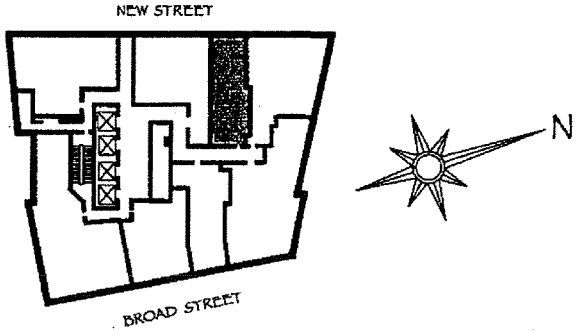
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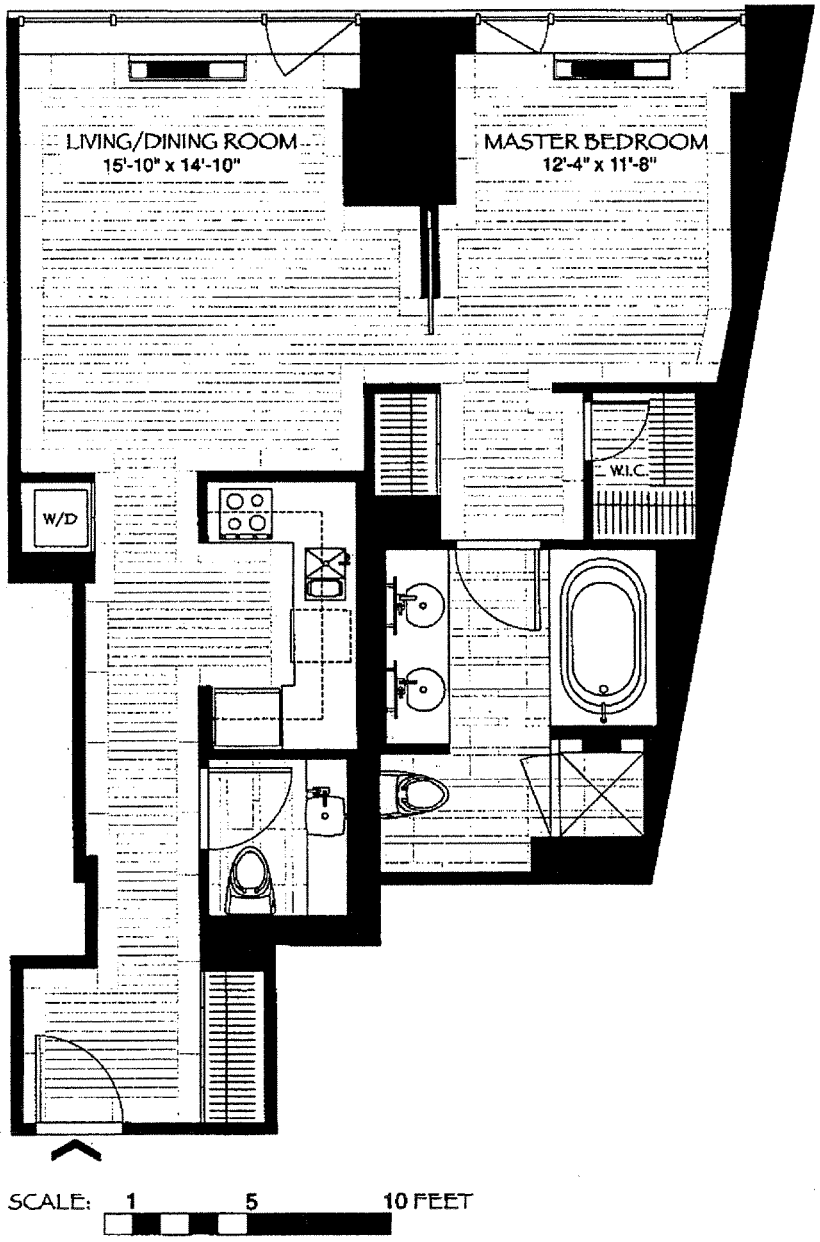
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THE SETAI, NEW YORK
RESIDENCE C
FLOORS 11-14
STUDIO, 1 BATH

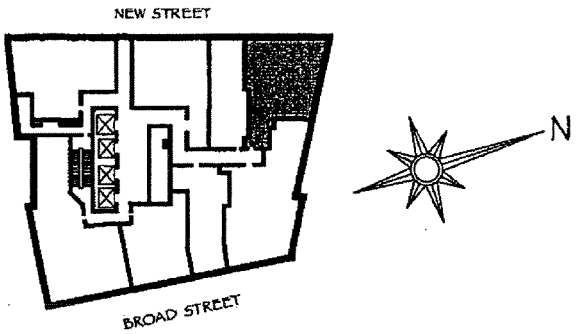
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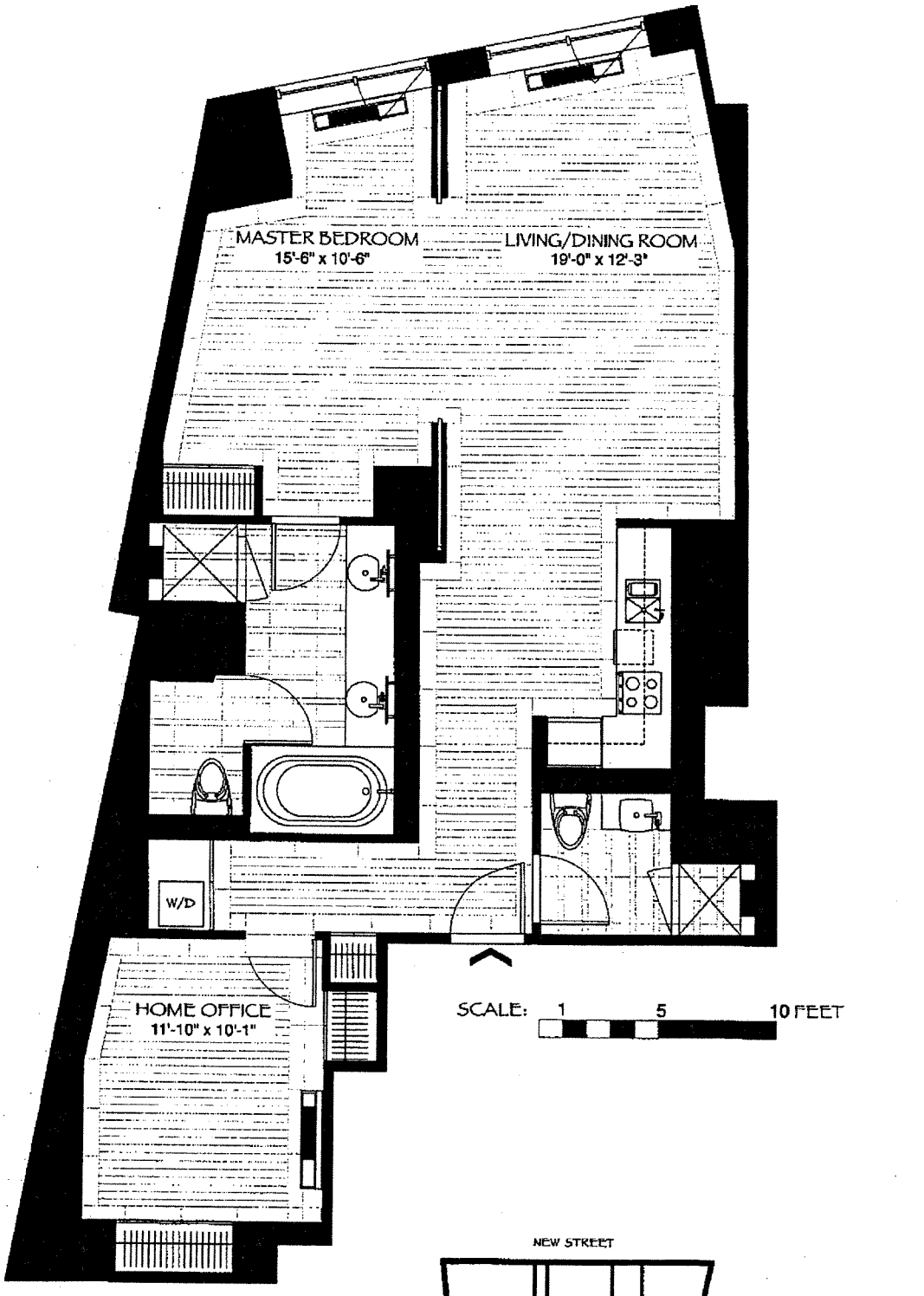


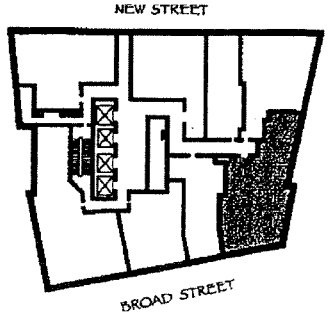
THE SETAI, NEW YORK
RESIDENCE D
FLOORS 11-14
1 BEDROOM, 1 1/2 BATHS

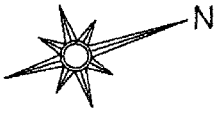


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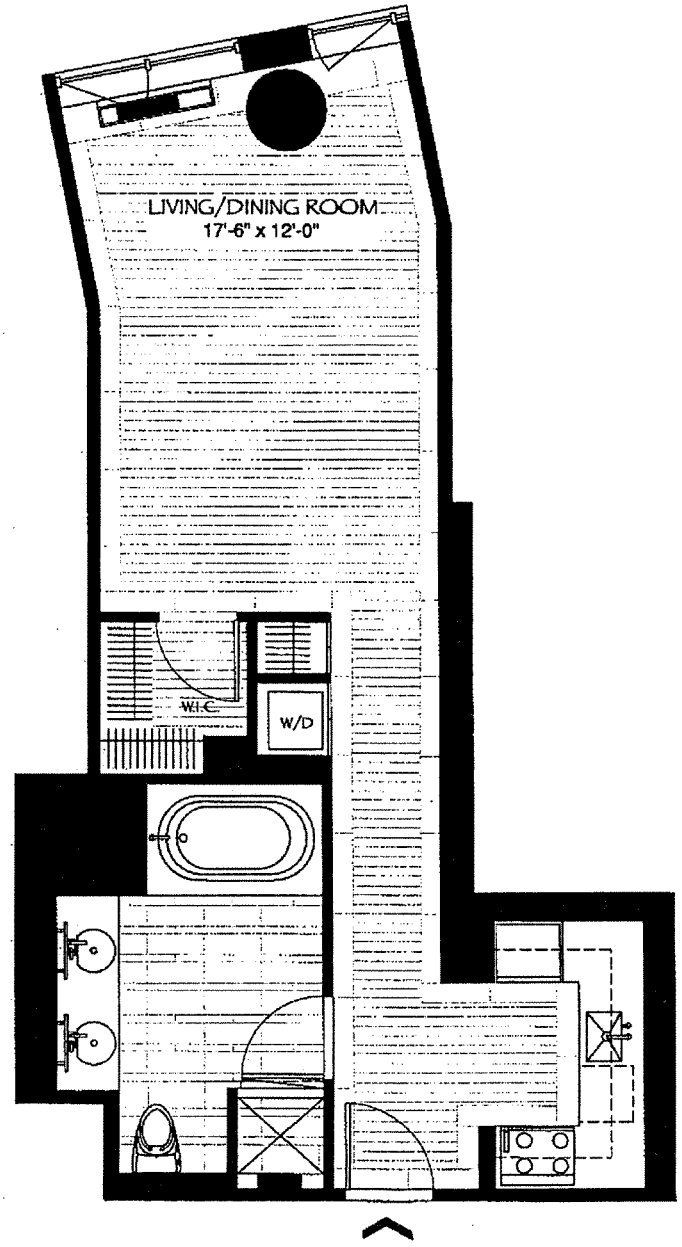




THE SETAI, NEW YORK
RESIDENCE E
FLOORS 11-14
1 BEDROOM, HOME OFFICE, 2 BATHS

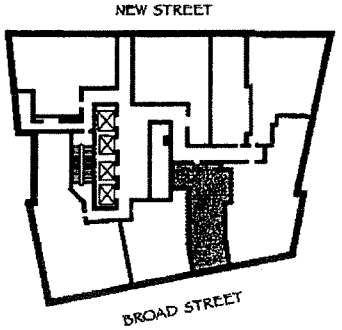
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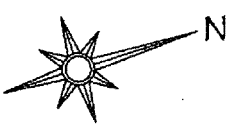
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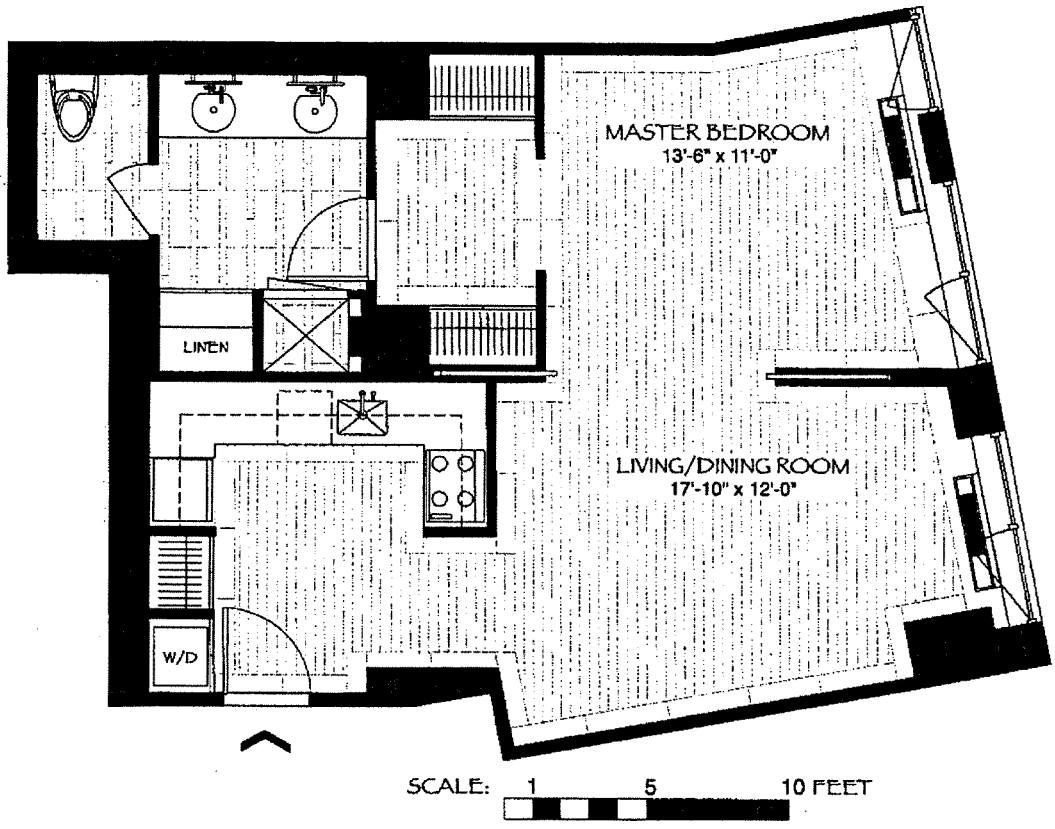
THE SETAI, NEW YORK
RESIDENCE F
FLOORS 11-14
STUDIO, 1 BATH

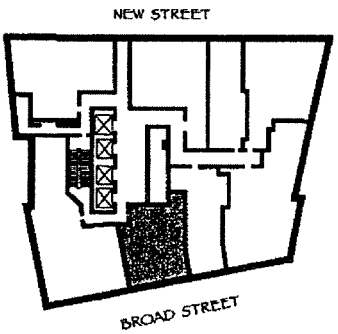
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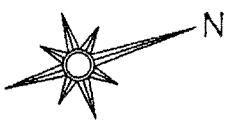




ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.



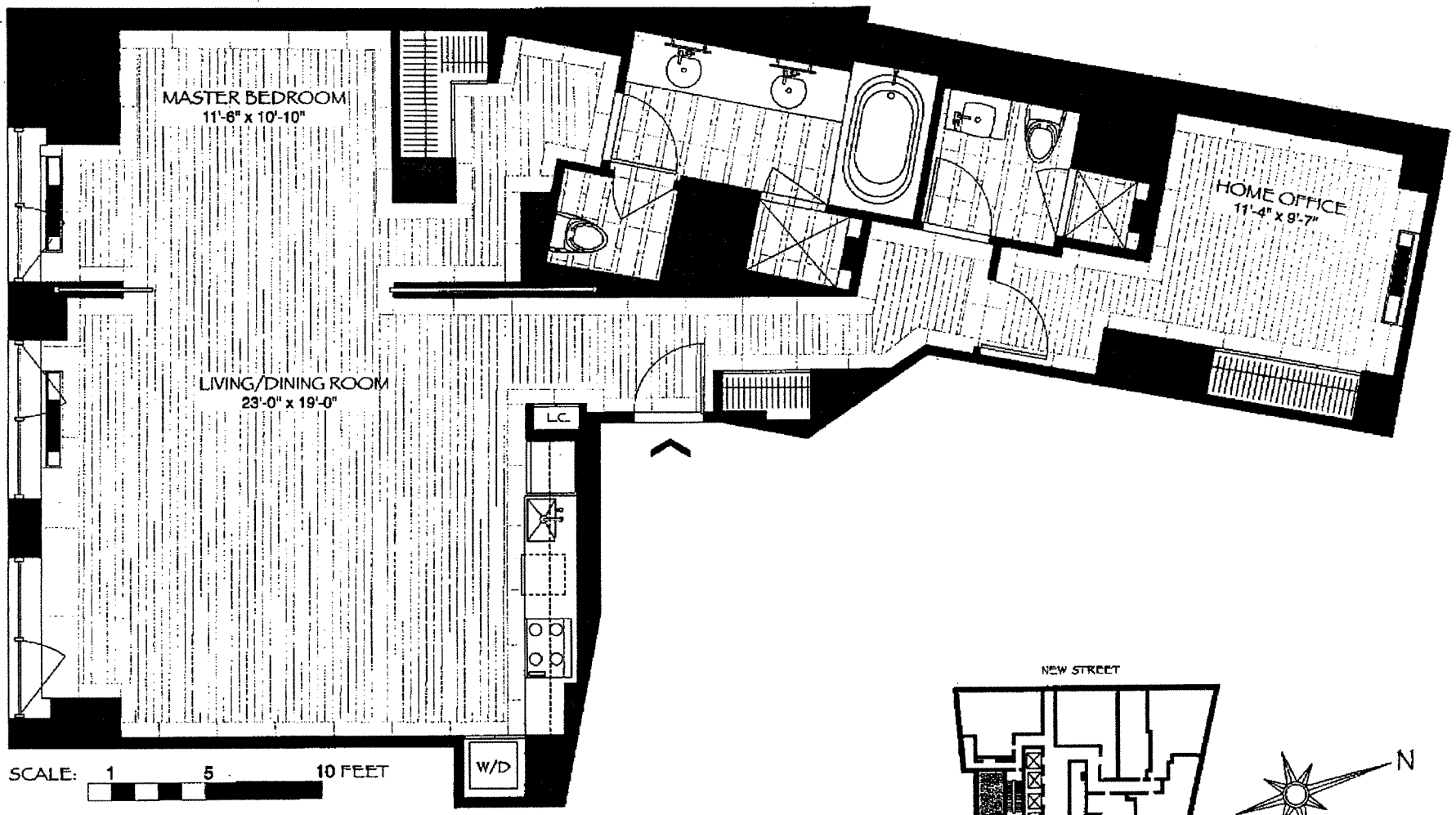


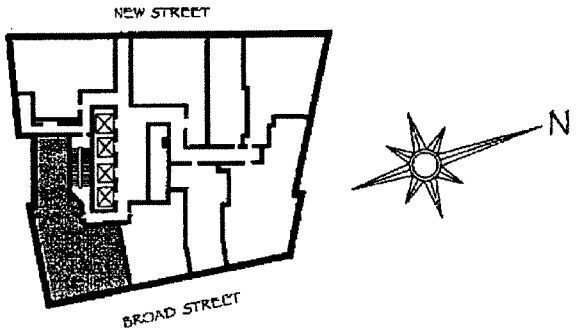


THE SETAI, NEW YORK
RESIDENCE G
FLOORS 11-14
1 BEDROOM, 1 BATH

REV. 11/1/06

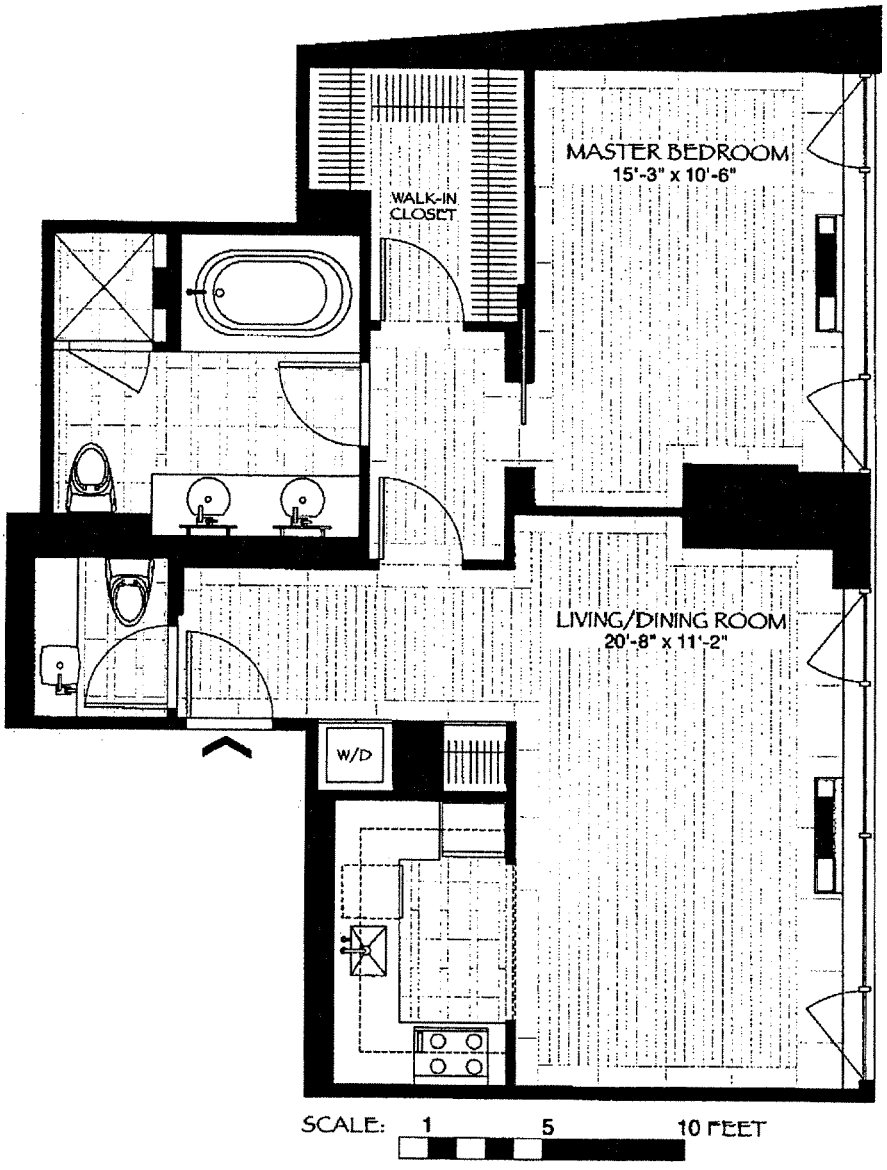
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.



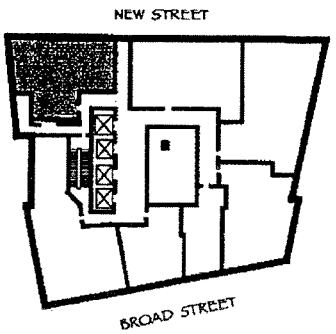


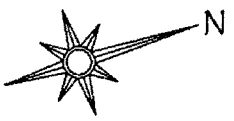
THE SETAI, NEW YORK
RESIDENCE H
FLOORS 11-14
1 BEDROOM, HOME OFFICE, 2 BATHS
REV. 11/1/06

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.



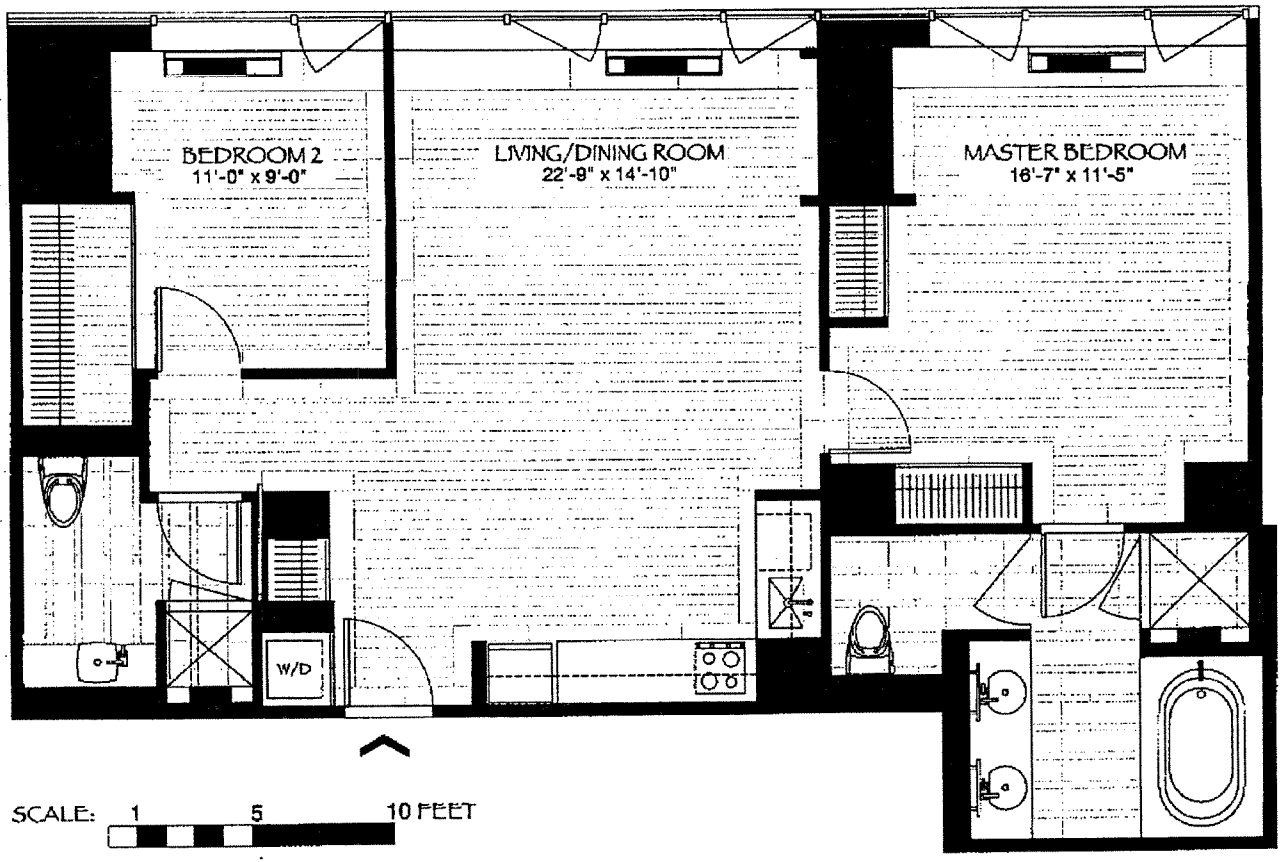
THE SETAI, NEW YORK
RESIDENCE A
15th FLOOR
1 BEDROOM, 1 1/2 BATHS



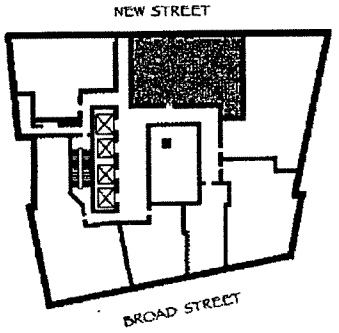


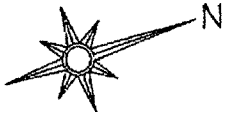
REV. 11/1/06

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.



SCALE: 1 5 10 FEET

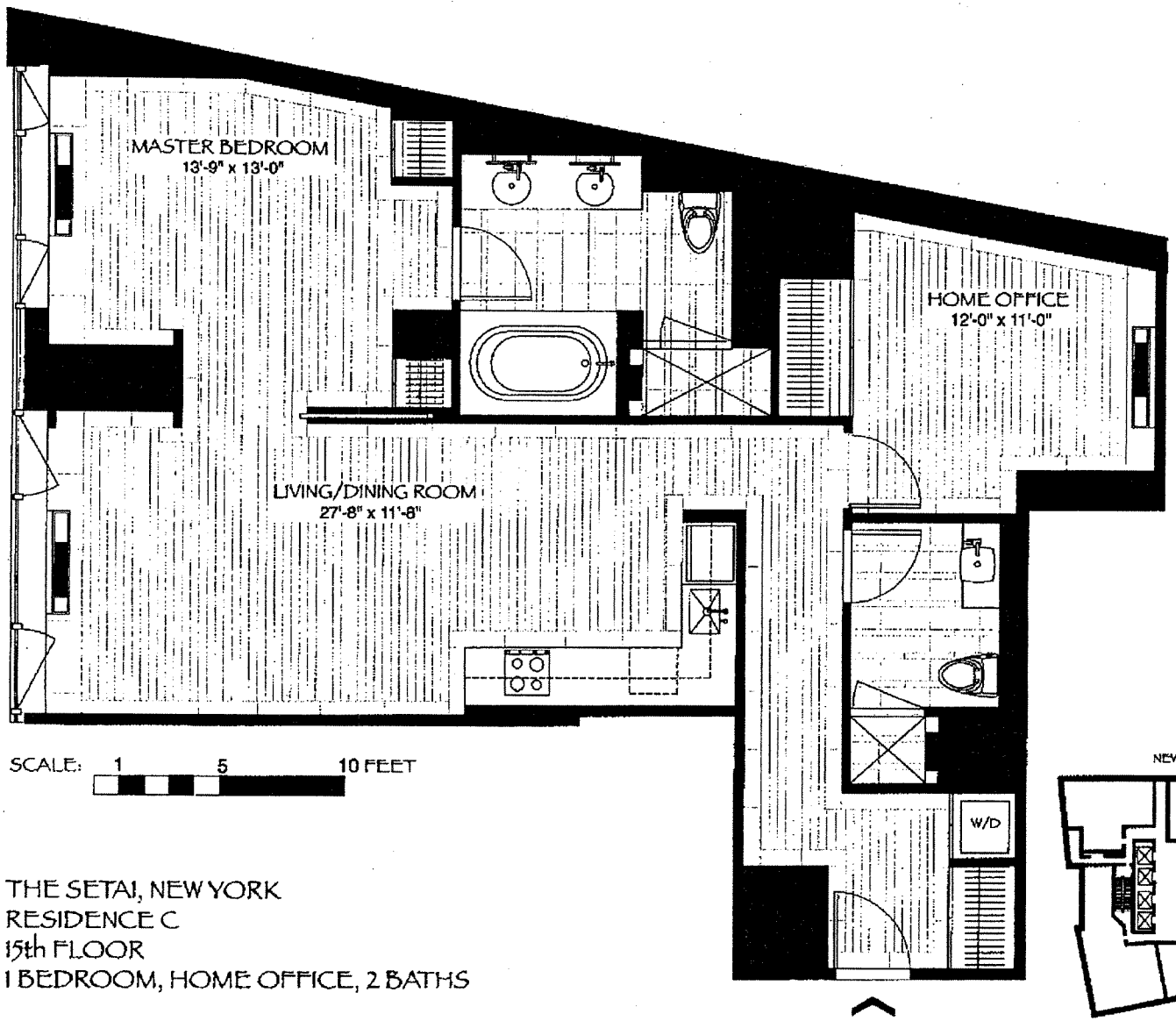




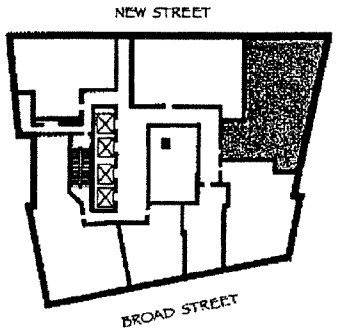
THE SETAI, NEW YORK
RESIDENCE B
15th FLOOR
2 BEDROOMS, 2 BATHS

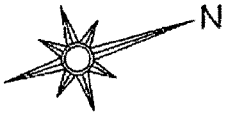
O.K. 11/1/06

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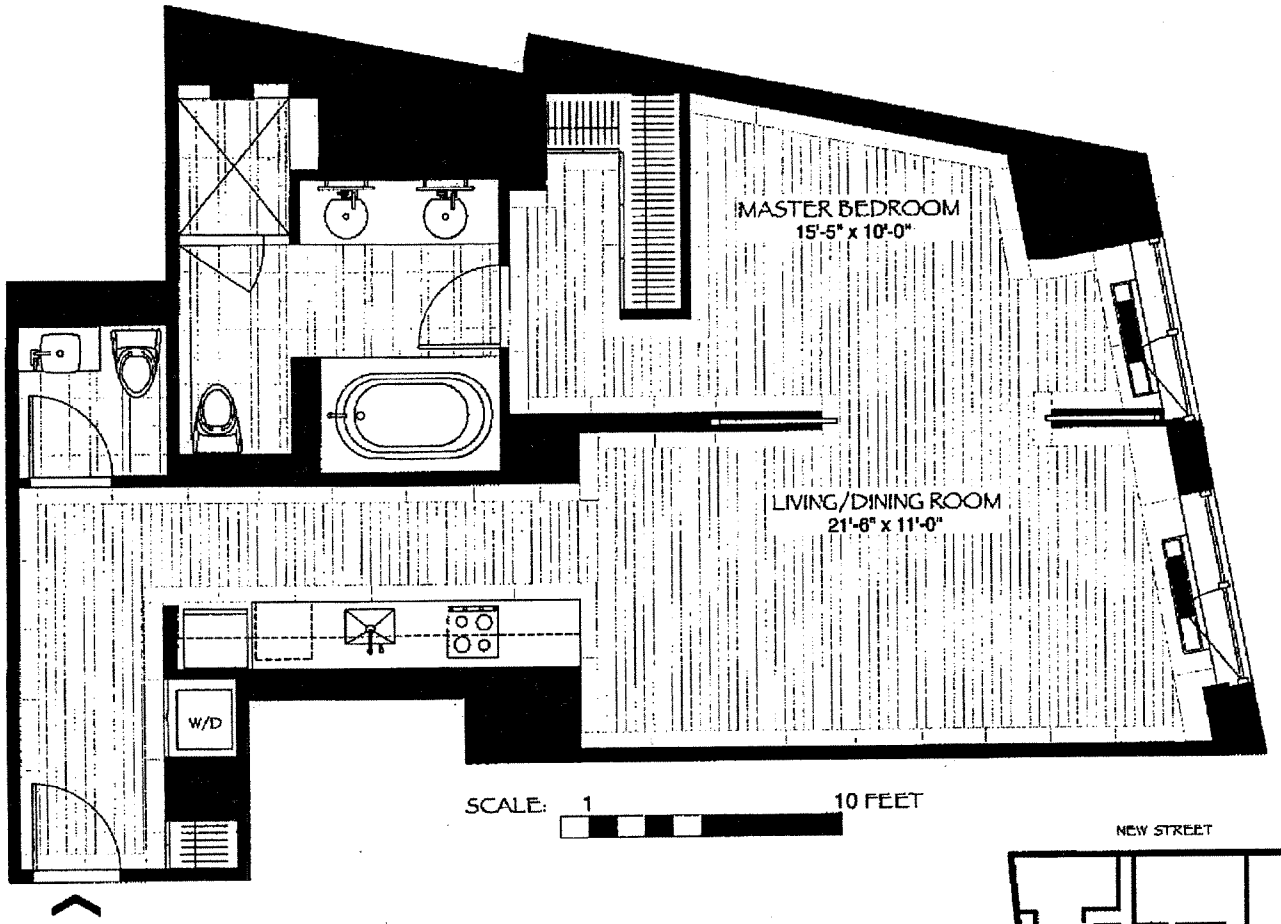


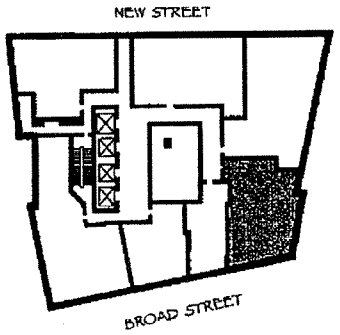


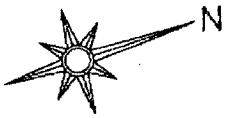
THE SETAI, NEW YORK
RESIDENCE C
15th FLOOR
1 BEDROOM, HOME OFFICE, 2 BATHS

REV. 11/1/06

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.



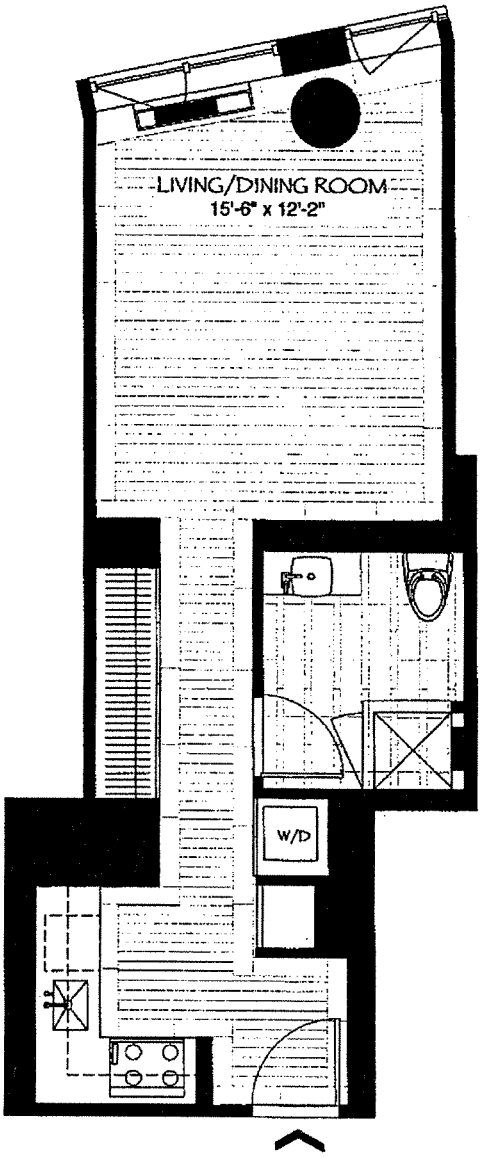




THE SETAI, NEW YORK
RESIDENCE D
15th FLOOR
1 BEDROOM, 1 BATH

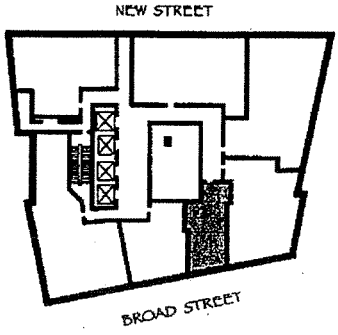
REV. 11/1/06

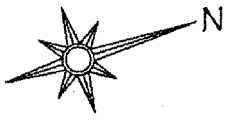
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SCALE: 1 5 10 FEET

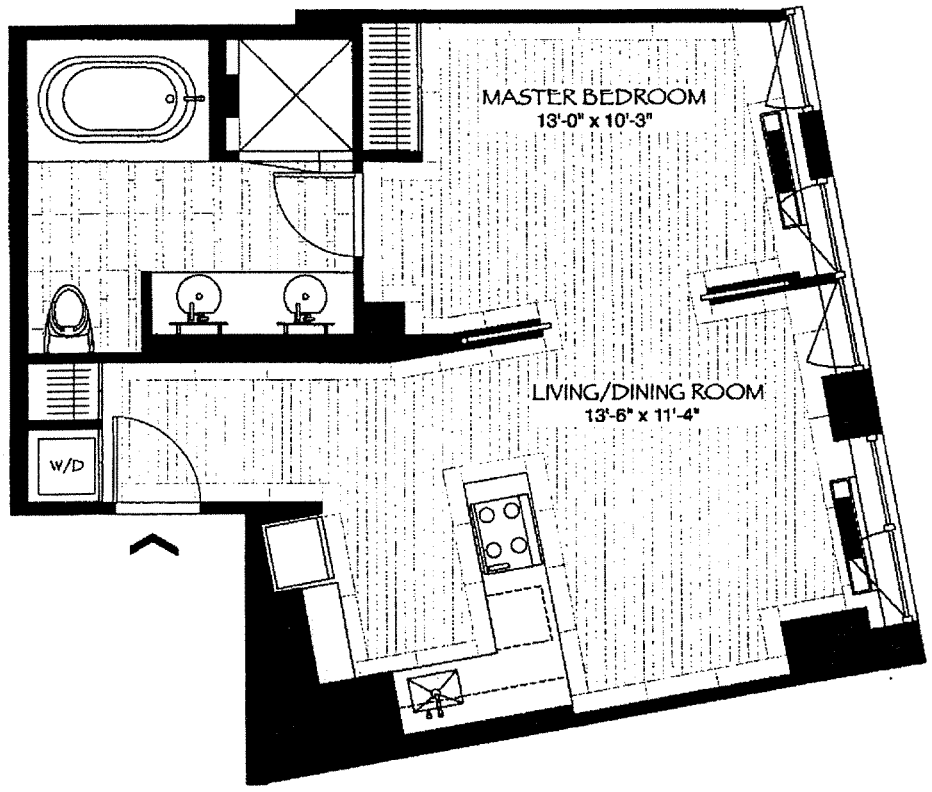
THE SETAI, NEW YORK
RESIDENCE E
15th FLOOR
STUDIO, 1 BATH



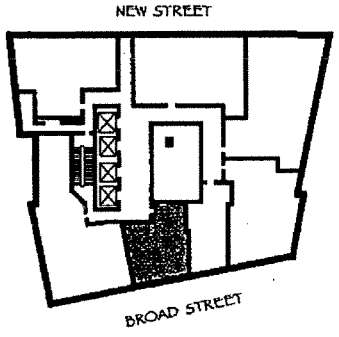


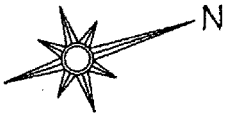
REV. 11/1/06
REV. 11/6/06

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SCALE: 1 5 10 FEET

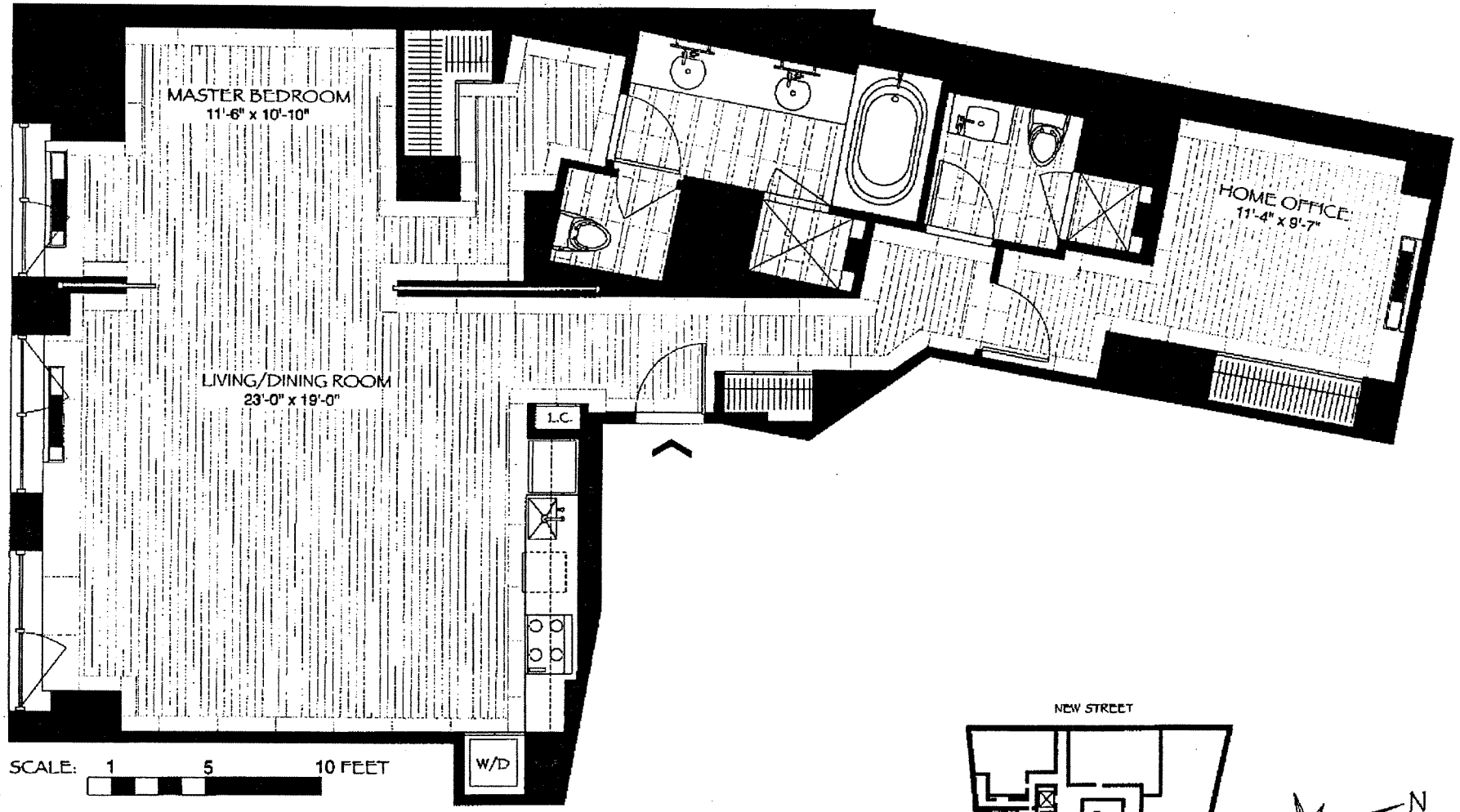


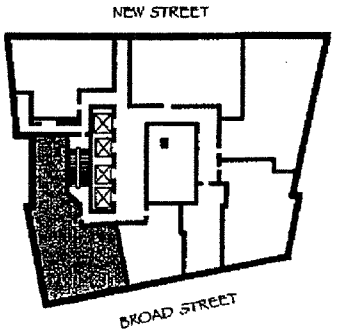


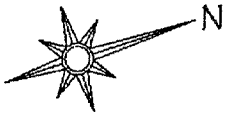
THE SETAI, NEW YORK
RESIDENCE F
15th FLOOR
1 BEDROOM, 1 BATH

REV. 11/1/06

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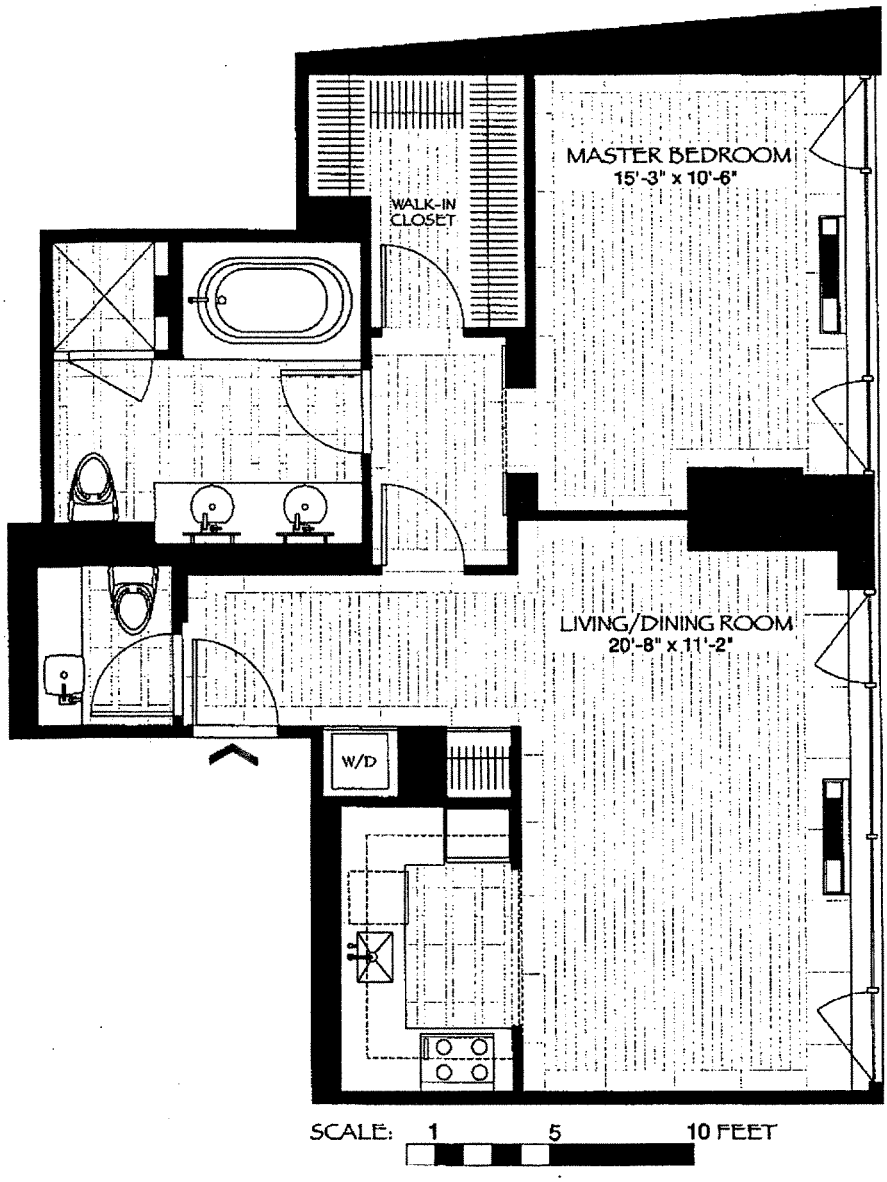




THE SETAI, NEW YORK
RESIDENCE G
15th FLOOR
1 BEDROOM, HOME OFFICE, 2 BATHS

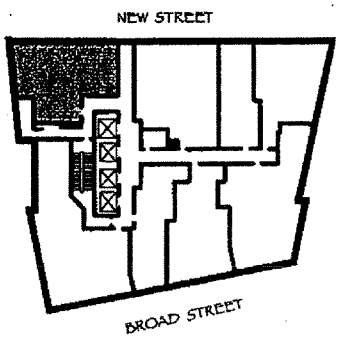
REV. 11/1/06

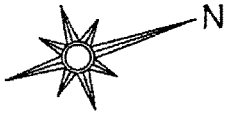
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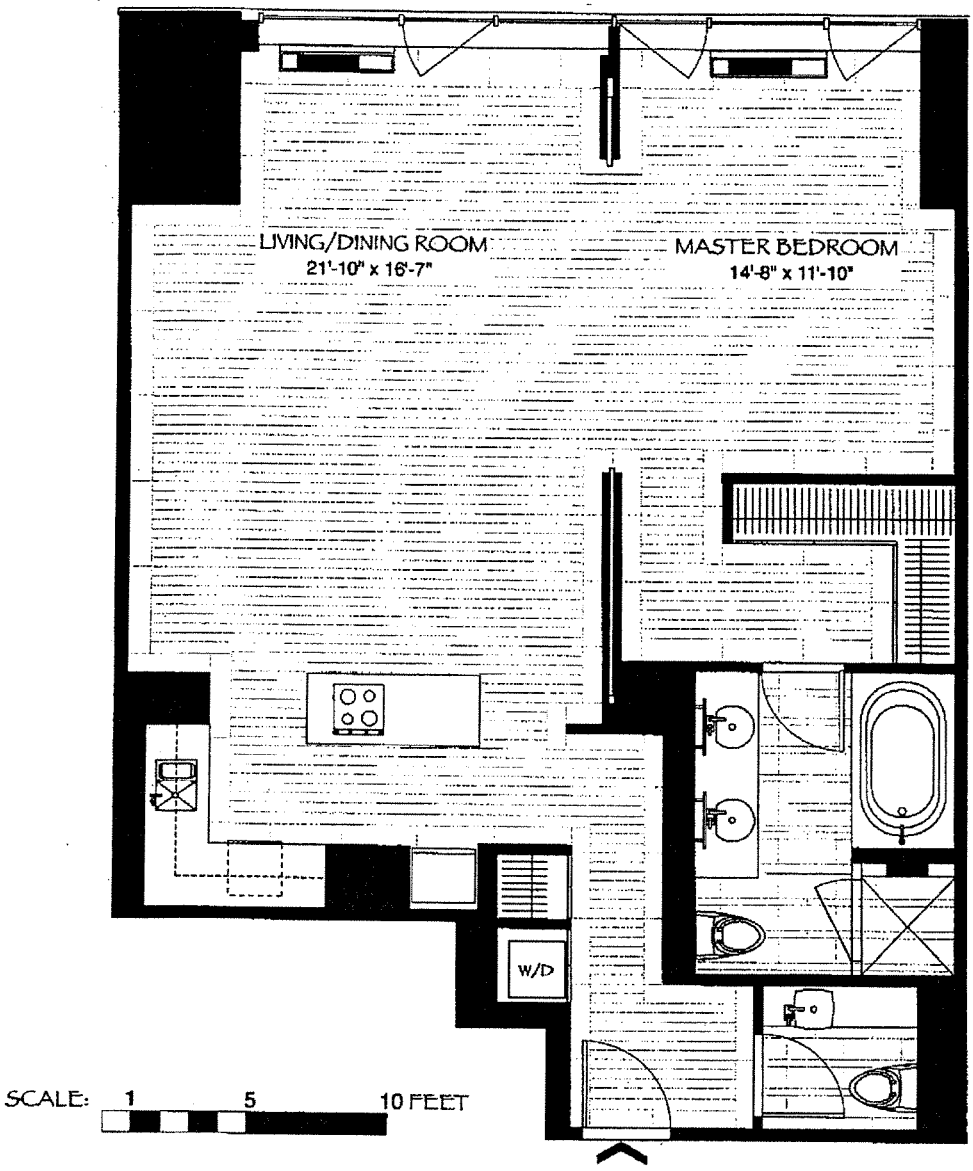
THE SETAI, NEW YORK
RESIDENCE A
FLOORS 16-23
1 BEDROOM, 1 1/2 BATHS

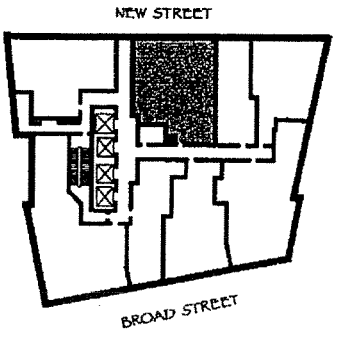
REV. 11/3/06

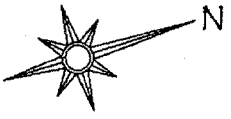




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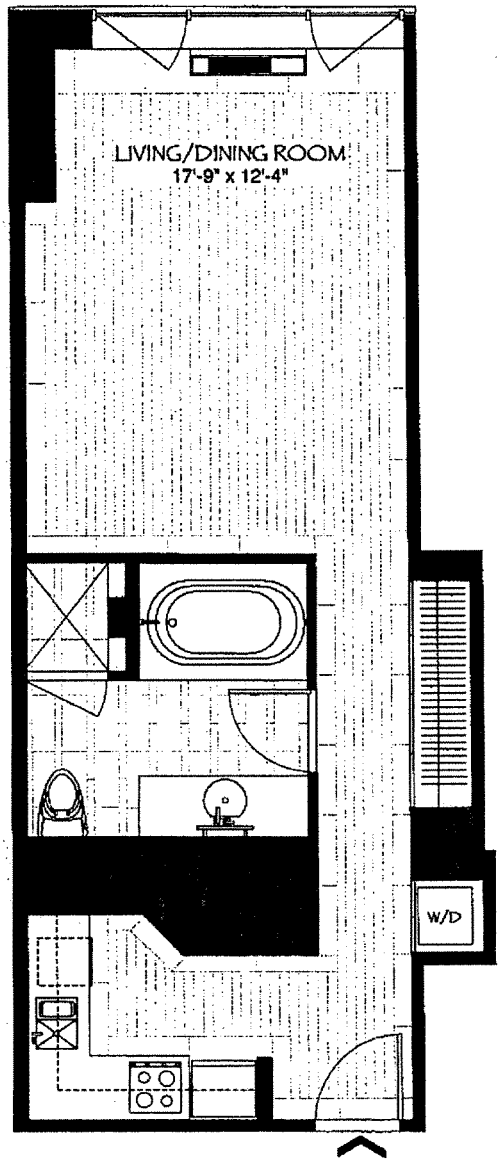




THE SETAI, NEW YORK
RESIDENCE B
FLOORS 16-23
1 BEDROOM, 1 1/2 BATHS

REV. 10/3/06

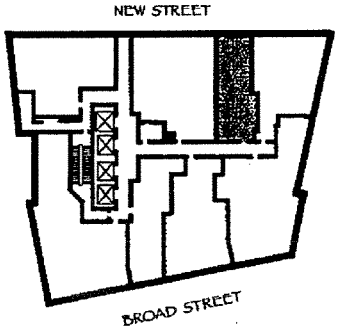
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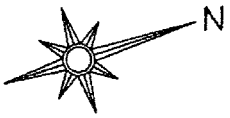


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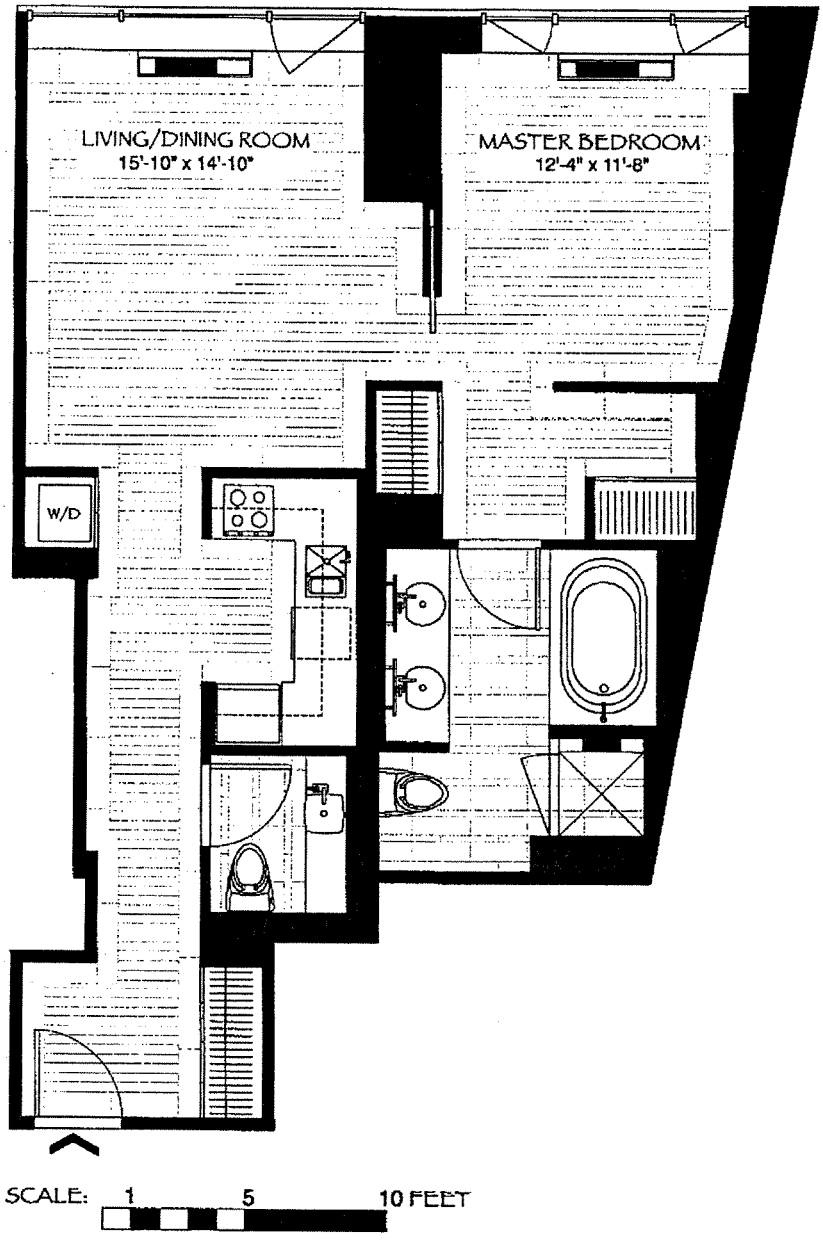
THE SETAI, NEW YORK
RESIDENCE C
FLOORS 16-23
STUDIO, 1 BATH

REV. 10/3/06



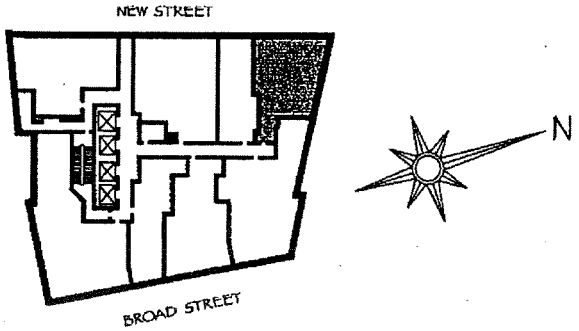


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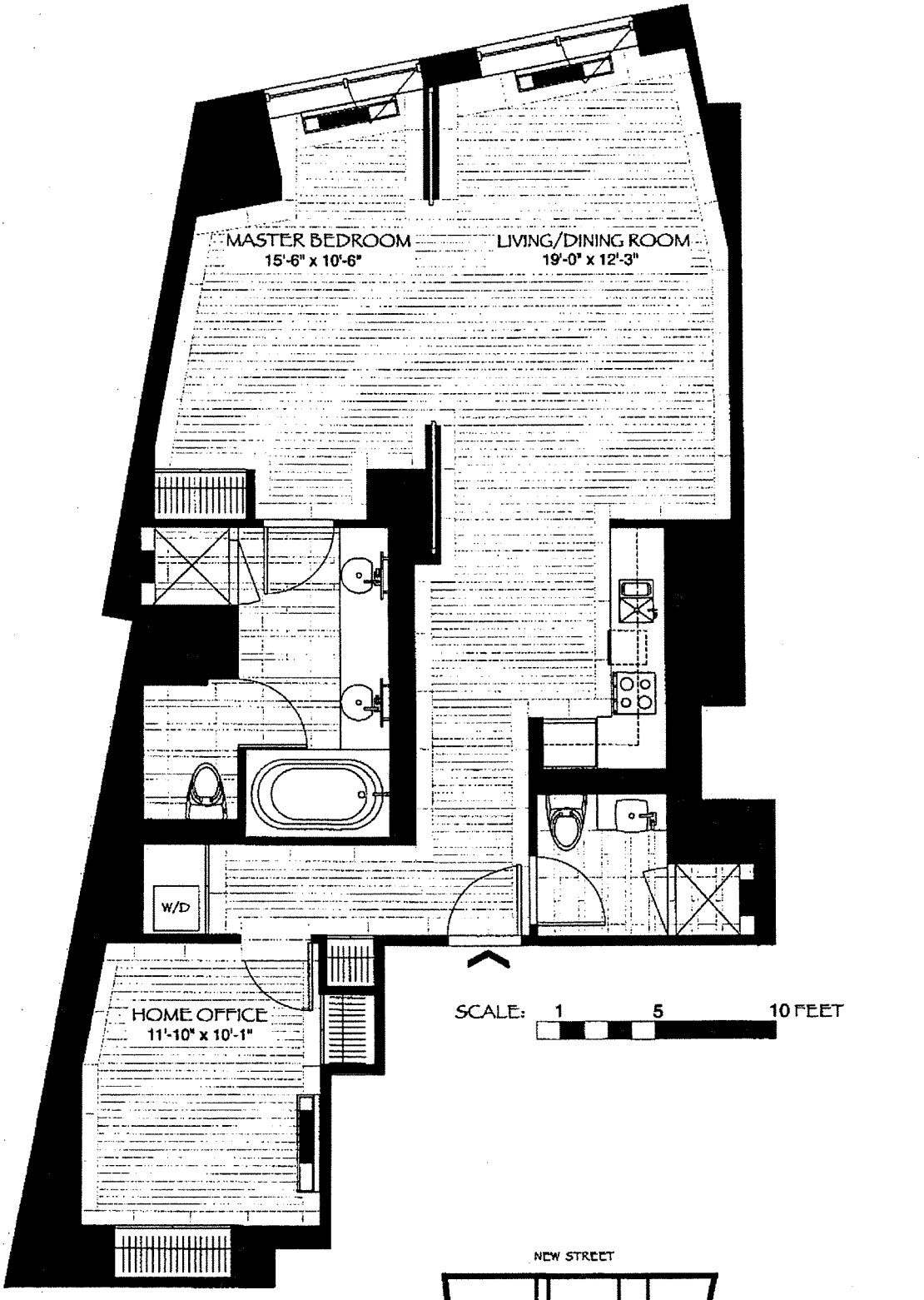


THE SETAI, NEW YORK
RESIDENCE D
FLOORS 16-23
1 BEDROOM, 1 1/2 BATHS

REV. 10/3/06

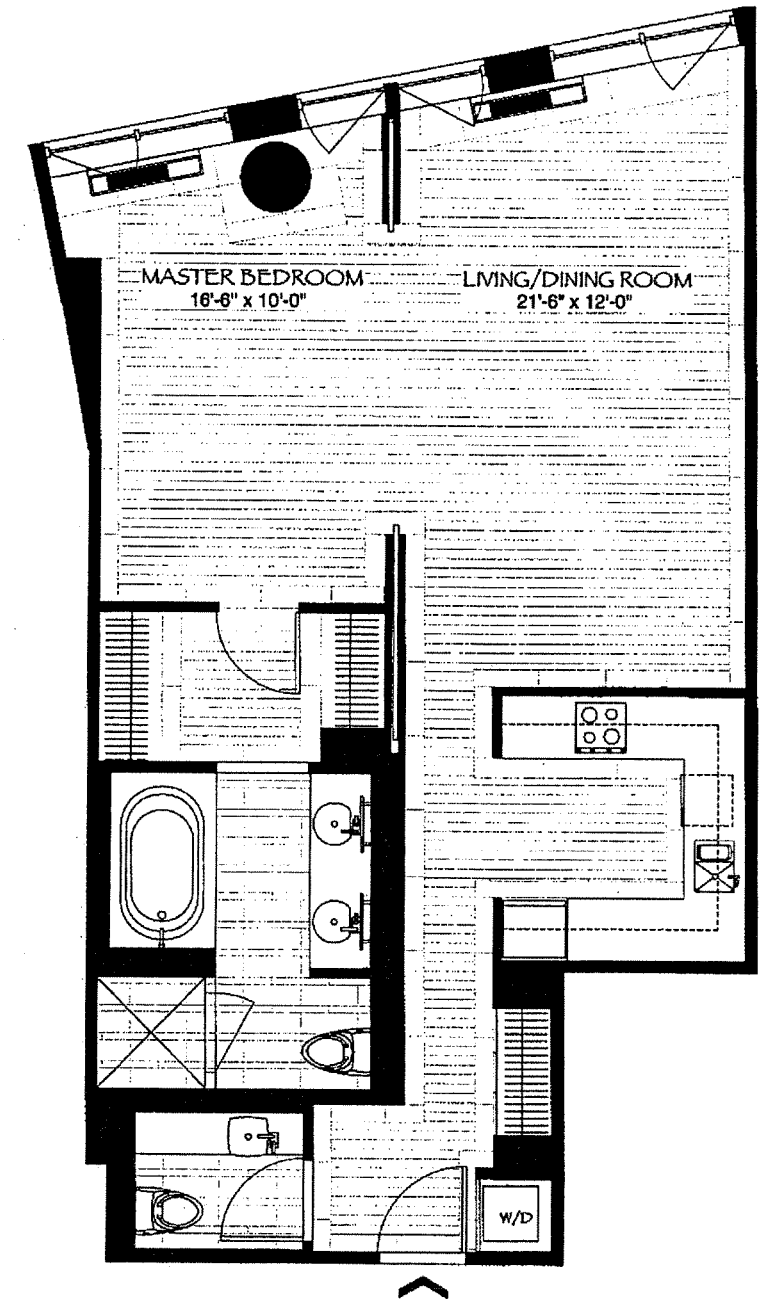


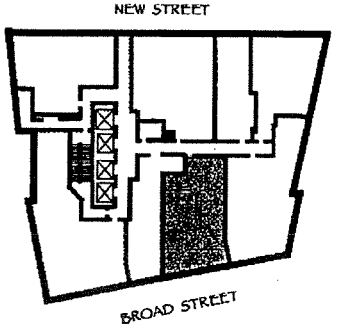
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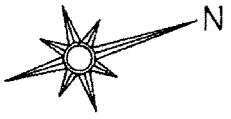


THE SETAI, NEW YORK
RESIDENCE E
FLOORS 16-23
1 BEDROOM, HOME OFFICE, 2 BATHS

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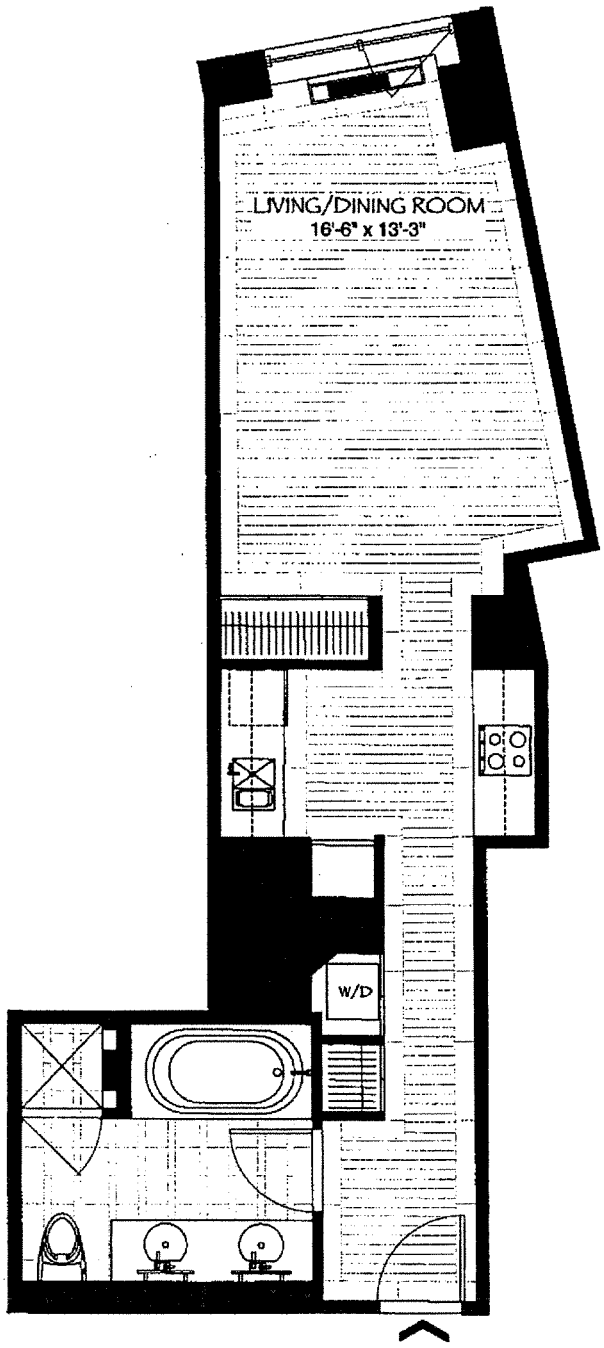




THE SETAI, NEW YORK
RESIDENCE F
FLOORS 16-23
1 BEDROOM, 1 1/2 BATHS

REV. 10/3/06

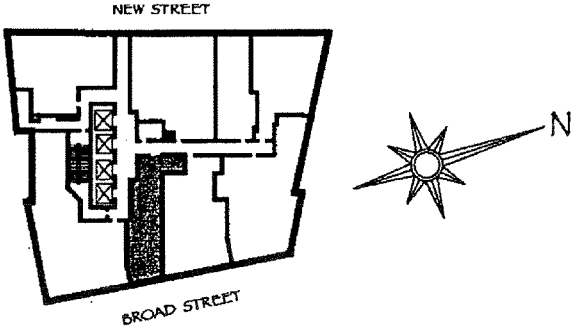
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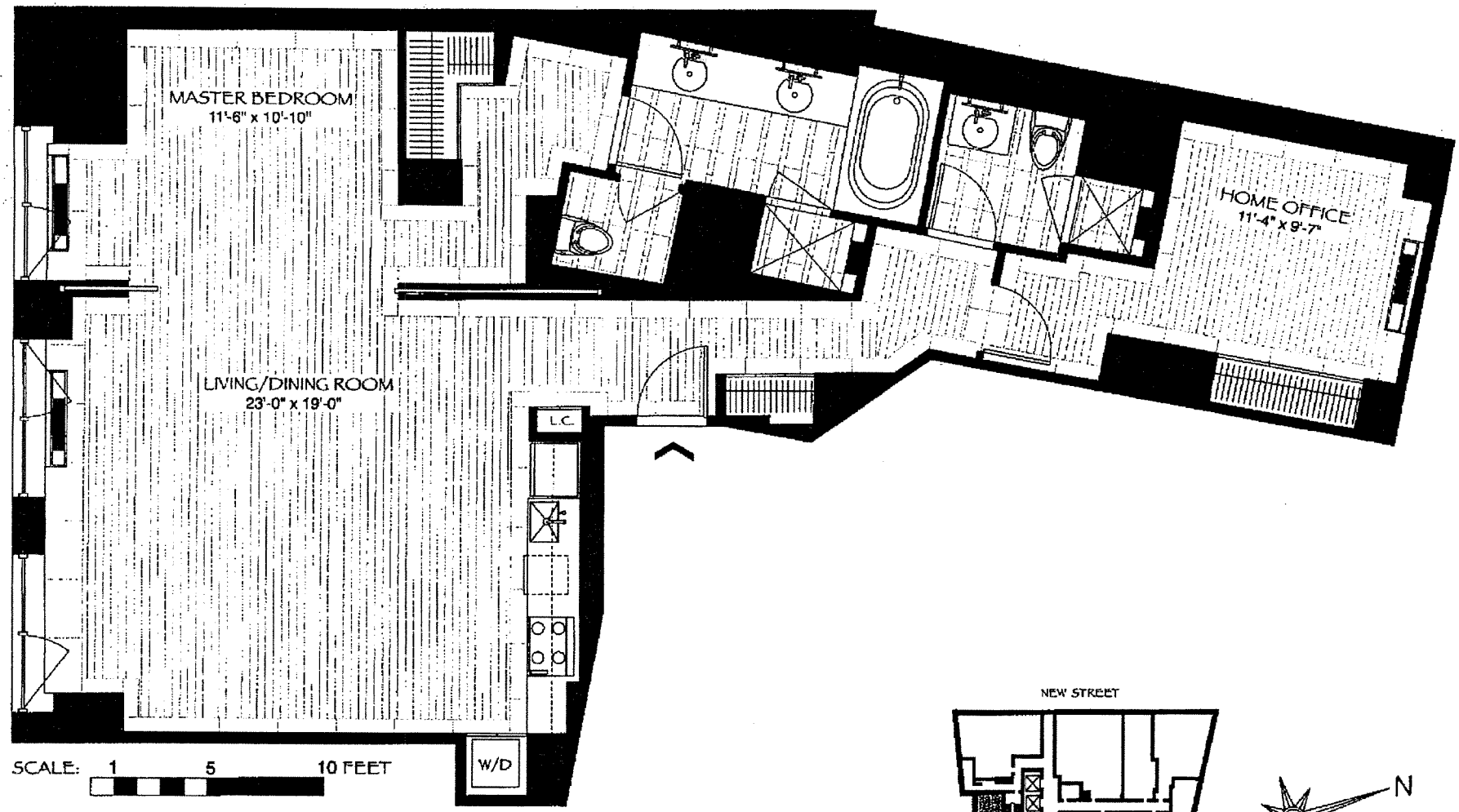
SCALE: 1 5 10 FEET

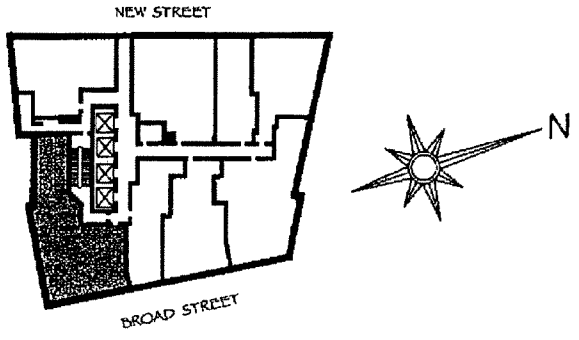
THE SETAI, NEW YORK
RESIDENCE G
FLOORS 16-23
STUDIO, 1 BATH

REV. 10/3/06



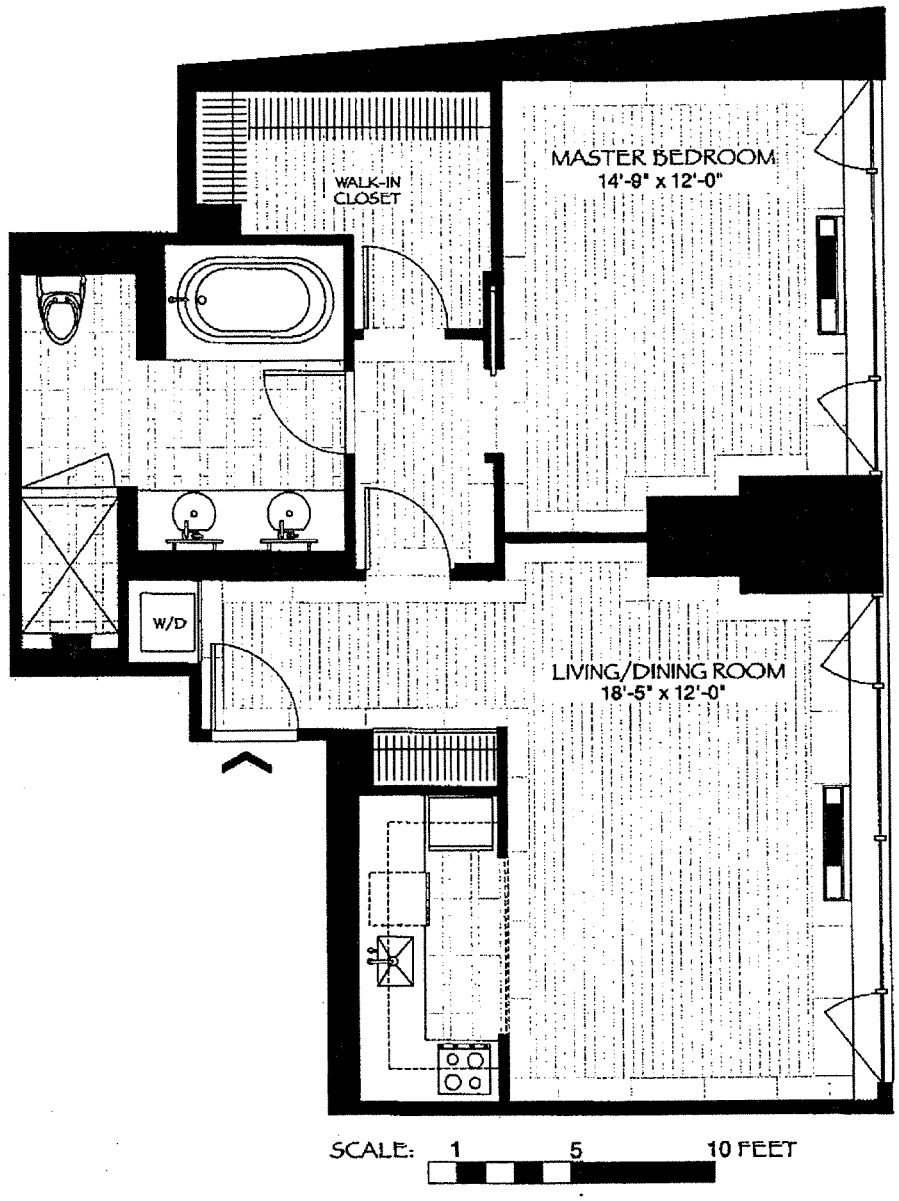
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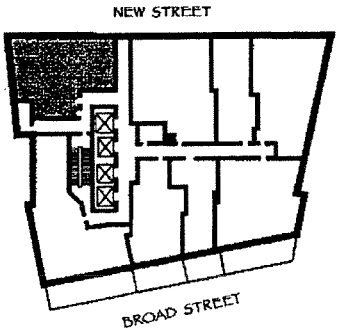
THE SETAI, NEW YORK
RESIDENCE H
FLOORS 16-23
1 BEDROOM, HOME OFFICE, 2 BATHS
REV. 10/3/06

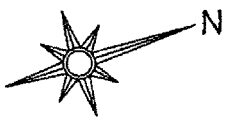
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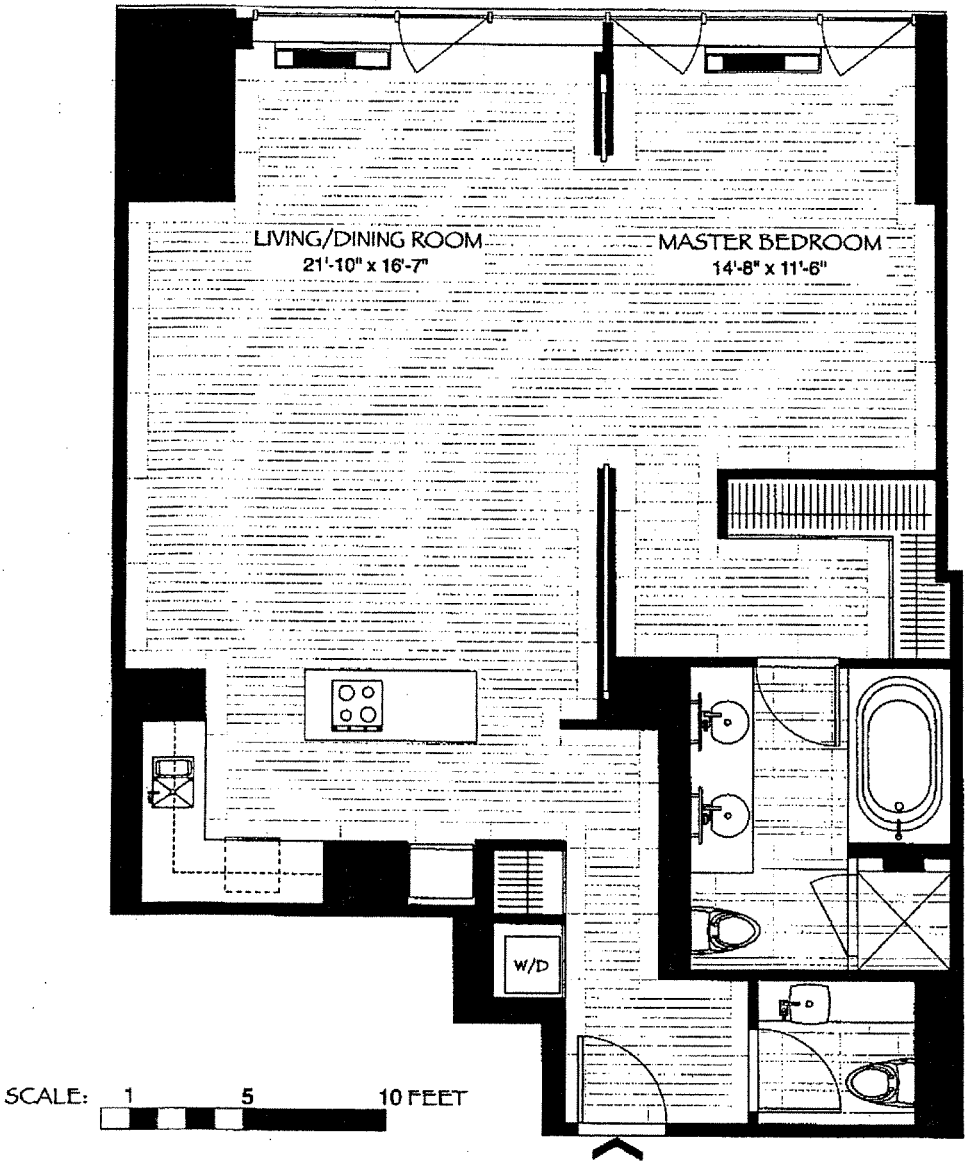
THE SETAI, NEW YORK
RESIDENCE A
FLOORS 24-27
1 BEDROOM, 1 BATH

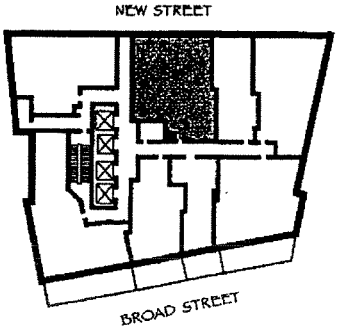
REV. 10/3/06

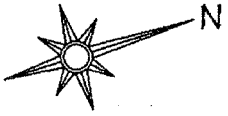




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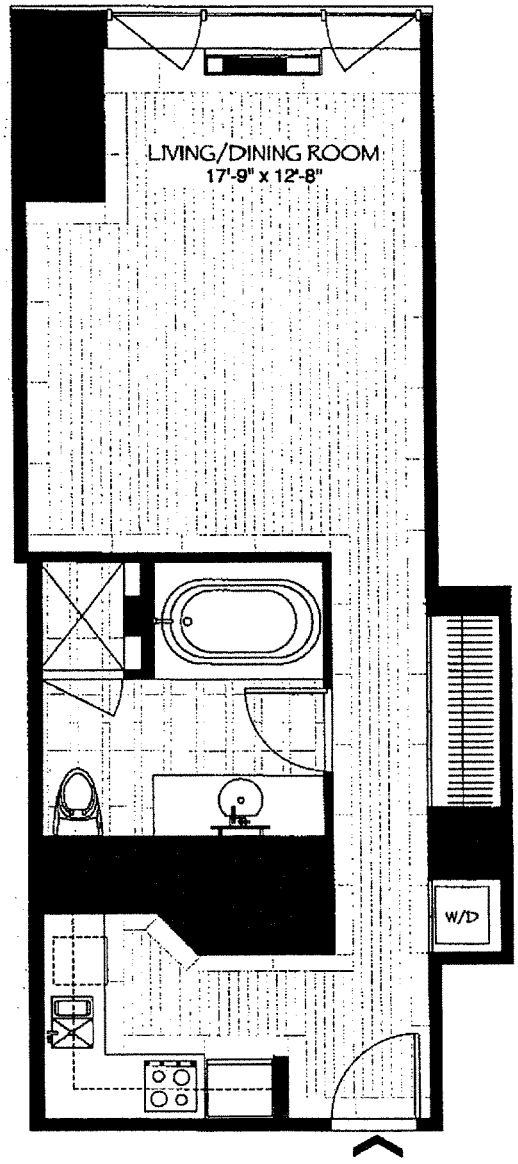




THE SETAI, NEW YORK
RESIDENCE B
FLOORS 24-27
1 BEDROOM, 1 1/2 BATHS

REV. 10/3/06

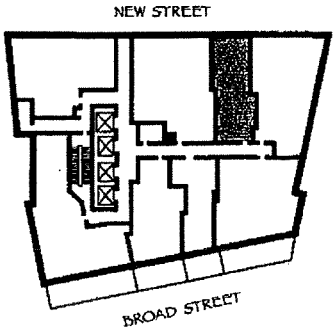
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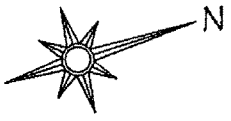


SCALE: 1 5 10 FEET

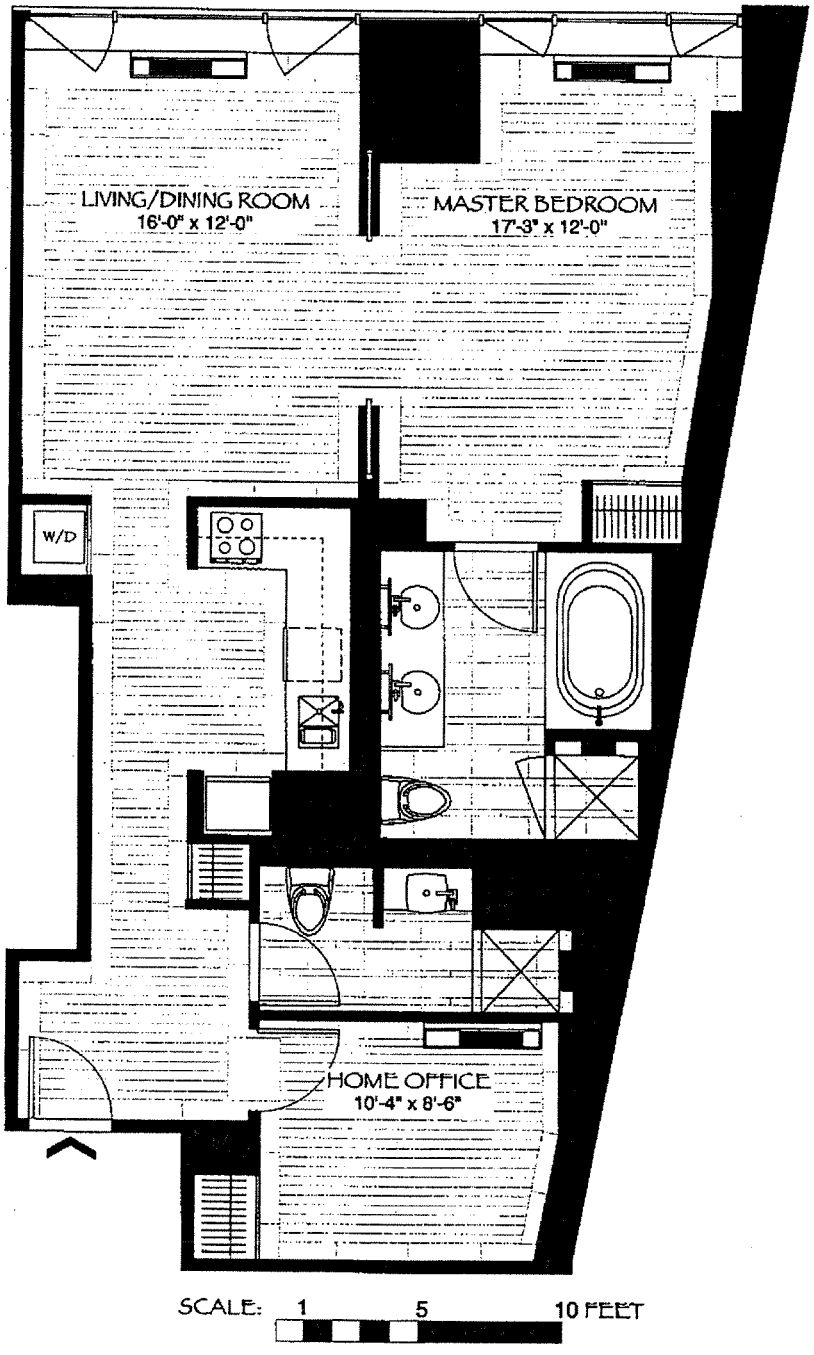
THE SETAI, NEW YORK
RESIDENCE C
FLOORS 24-27
STUDIO, 1 BATH

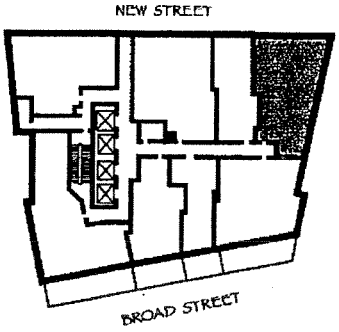
REV. 10/3/06

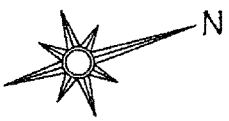




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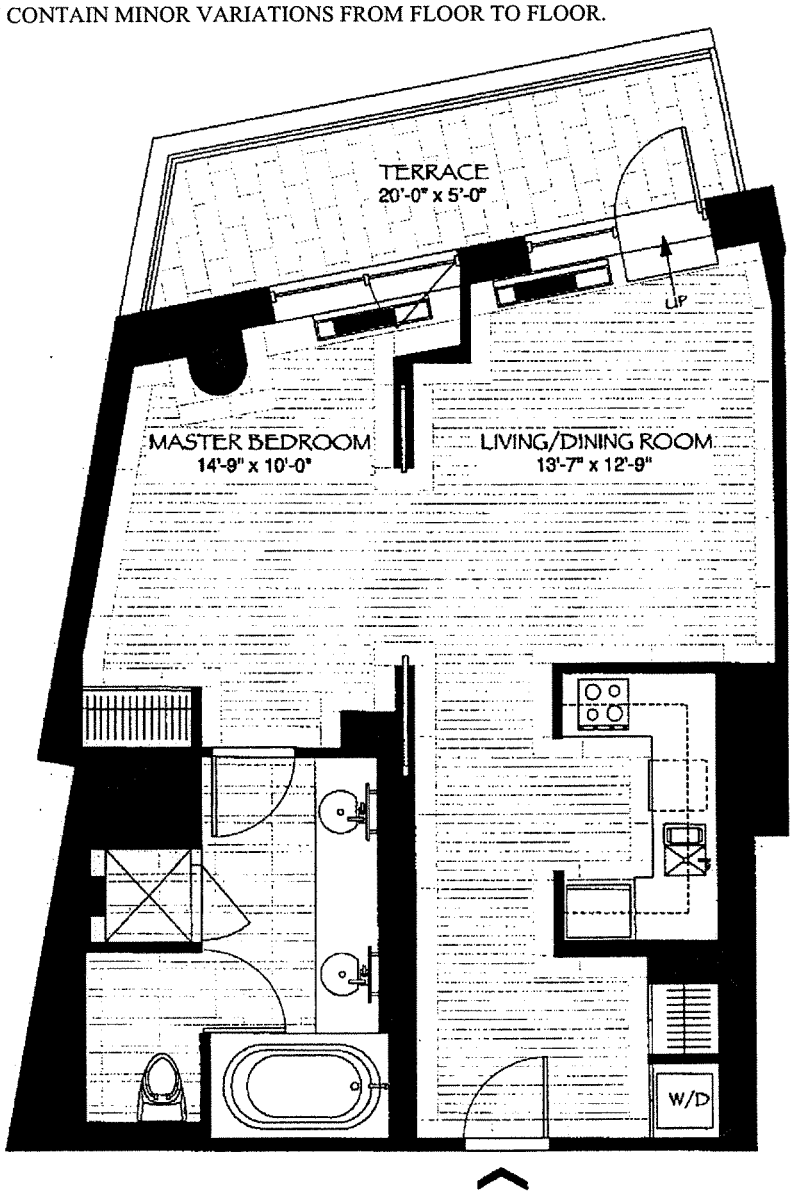




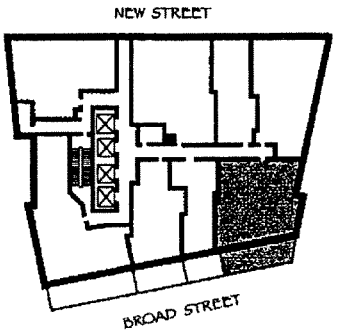
THE SETAI, NEW YORK
RESIDENCE D
FLOORS 24-27
1 BEDROOM, HOME OFFICE, 2 BATHS

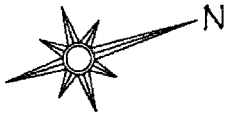
REV. 10/3/06

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SCALE: 1 5 10 FEET

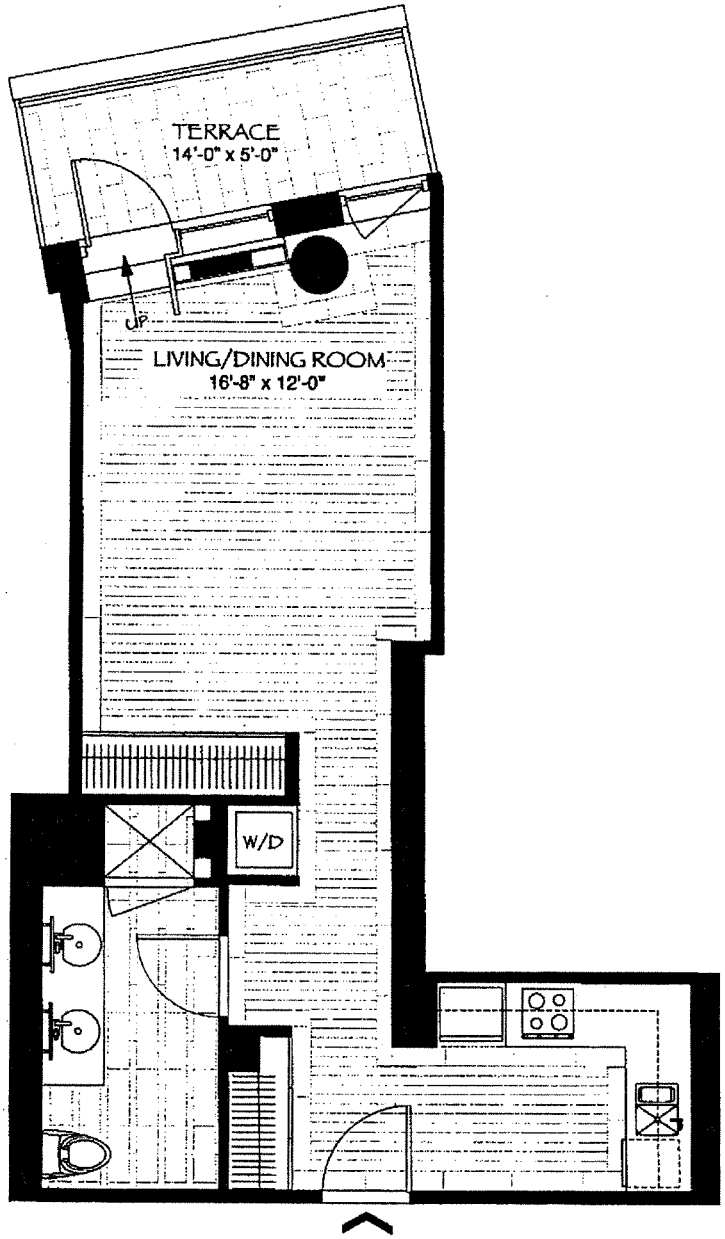


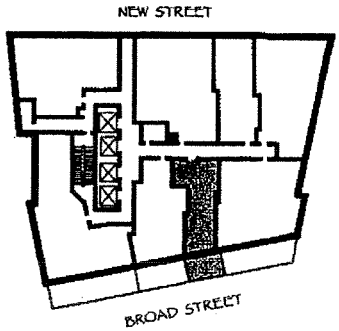


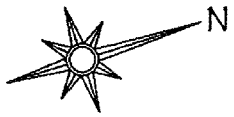
THE SETAI, NEW YORK
RESIDENCE E
24th FLOOR
1 BEDROOM, 1 BATH, TERRACE

REV. 10/3/06

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.



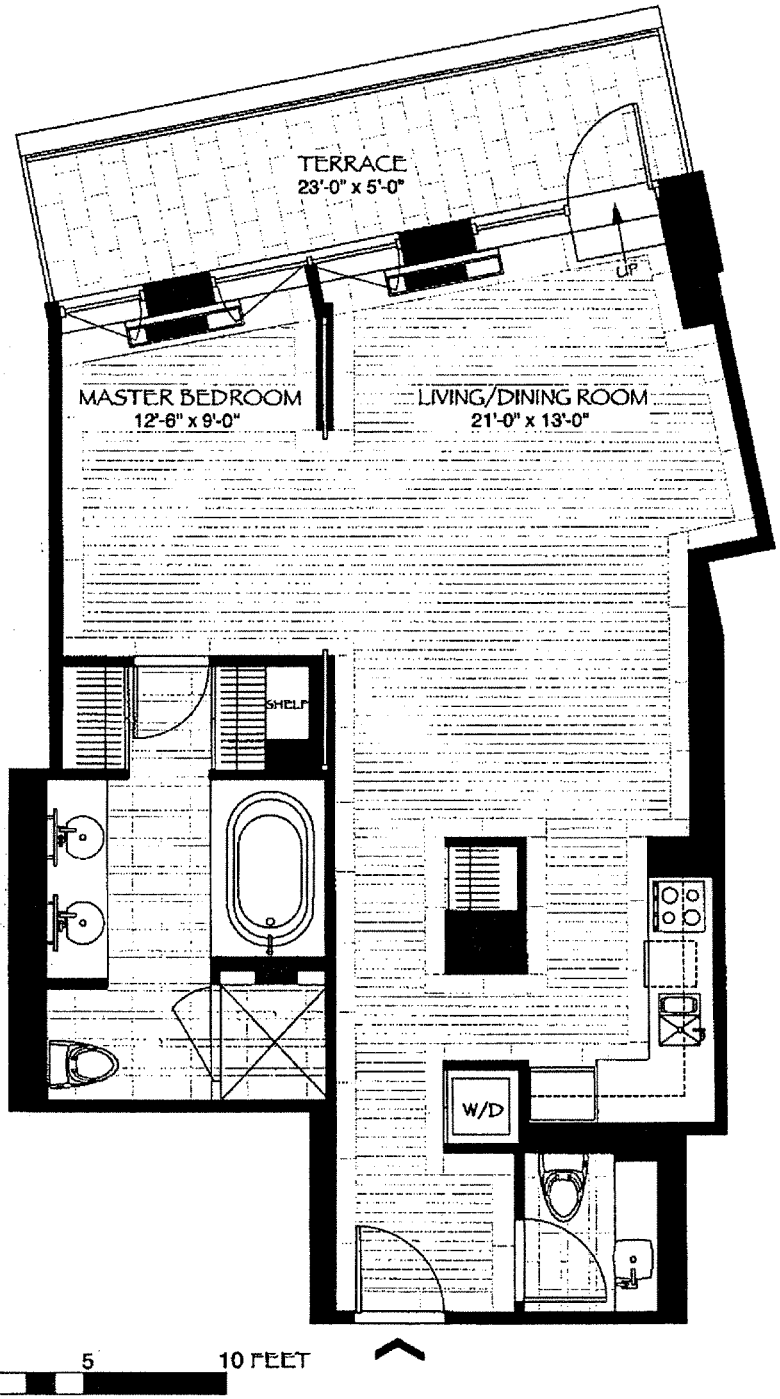




THE SETAI, NEW YORK
RESIDENCE F
24th FLOOR
STUDIO, 1 BATH, TERRACE

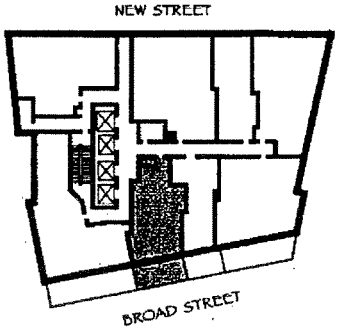
REV. 10/3/06

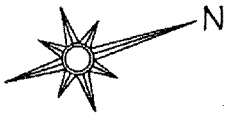
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SCALE: 1 5 10 FEET

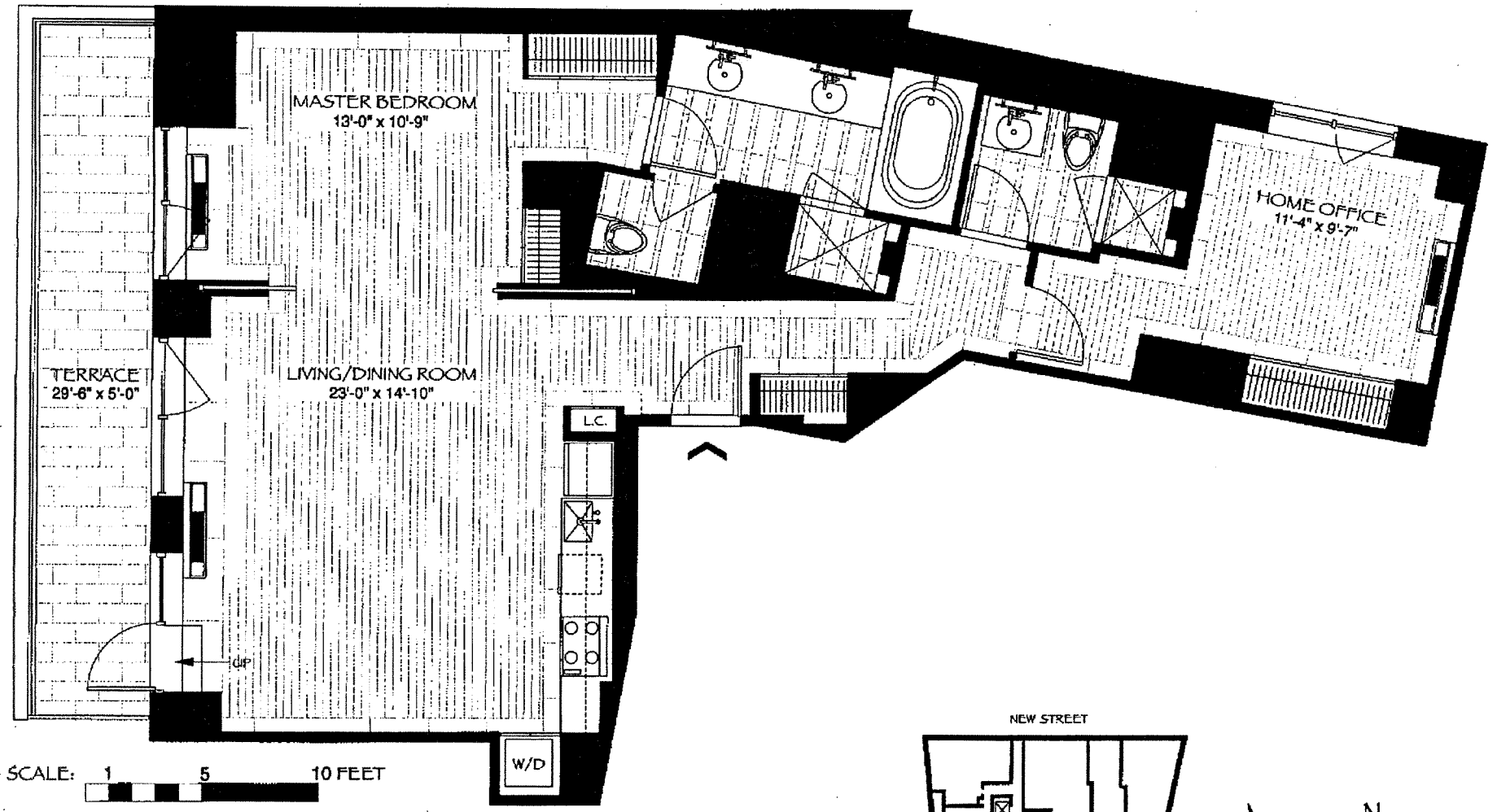
THE SETAI, NEW YORK
RESIDENCE G
24th FLOOR
1 BEDROOM, 1 1/2 BATHS, TERRACE

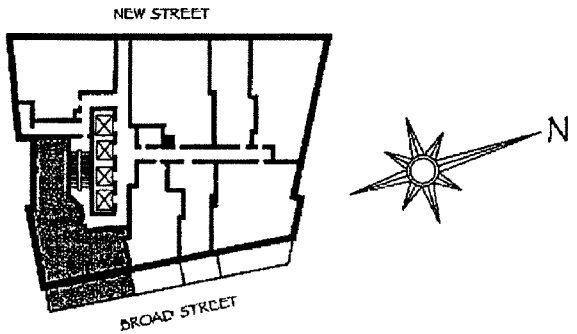




REV. 10/3/06
REV. 10/16/06

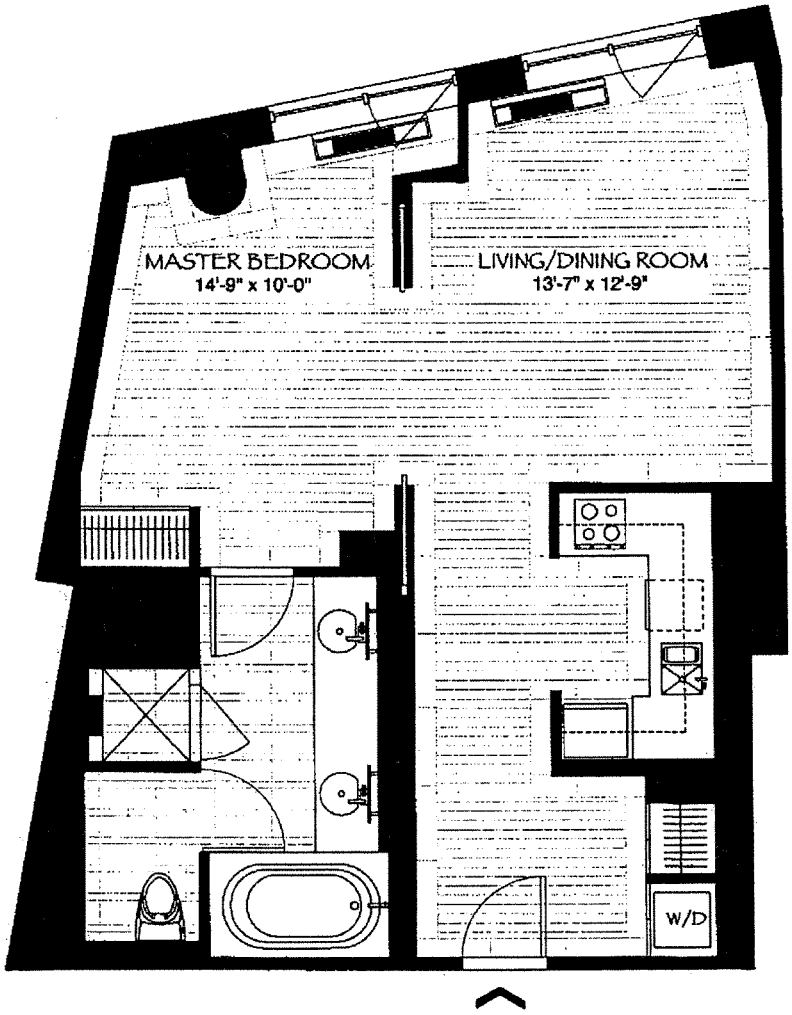
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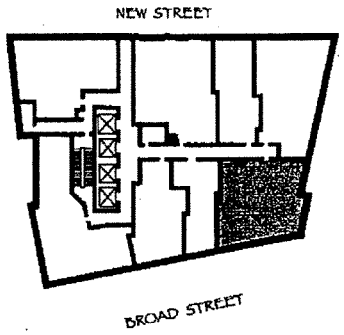
THE SETAI, NEW YORK
RESIDENCE H
24th FLOOR
1 BEDROOM, HOME OFFICE, 2 BATHS, TERRACE
REV. 10/3/06

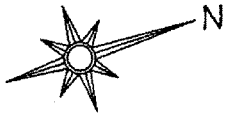
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SCALE: 1 5 10 FEET

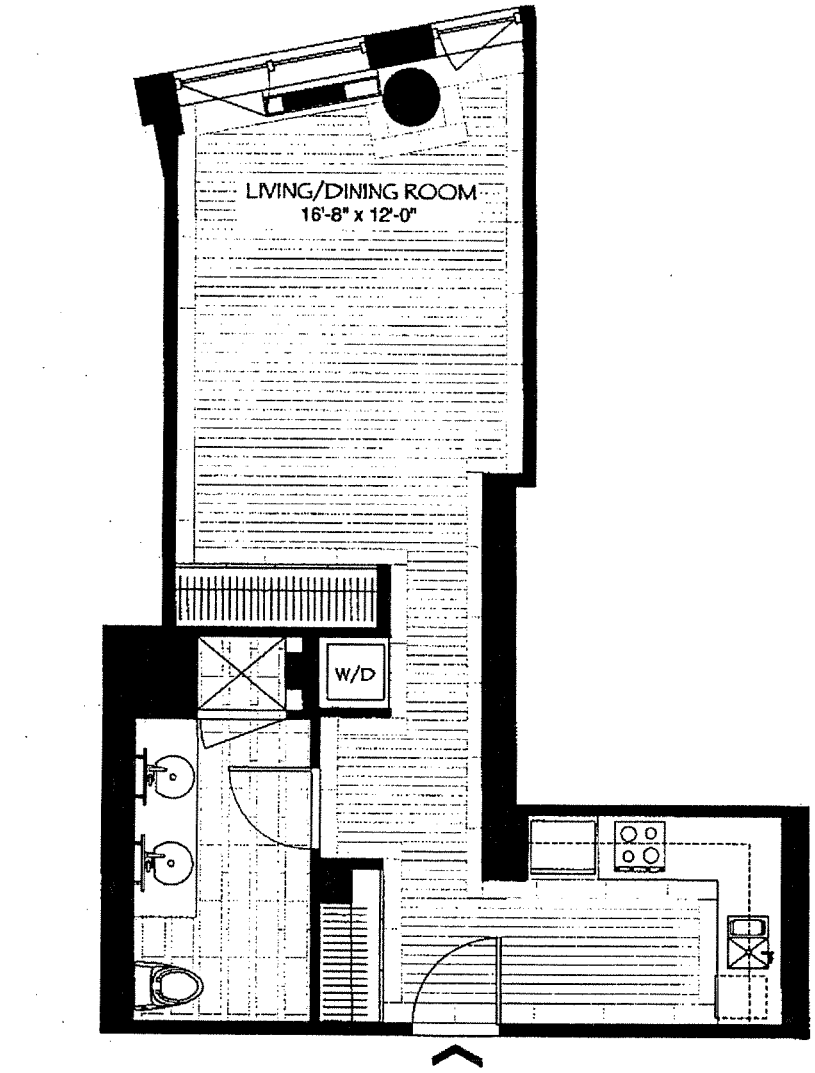
THE SETAI, NEW YORK
RESIDENCE E
FLOORS 25-27
1 BEDROOM, 1 BATH



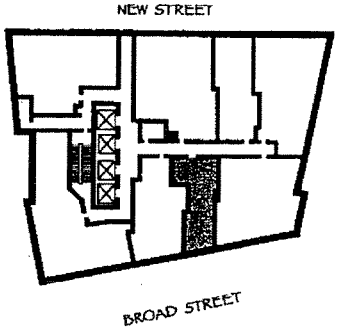


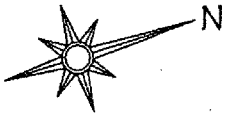
REV. 10/3/06

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SCALE: 1 5 10 FEET

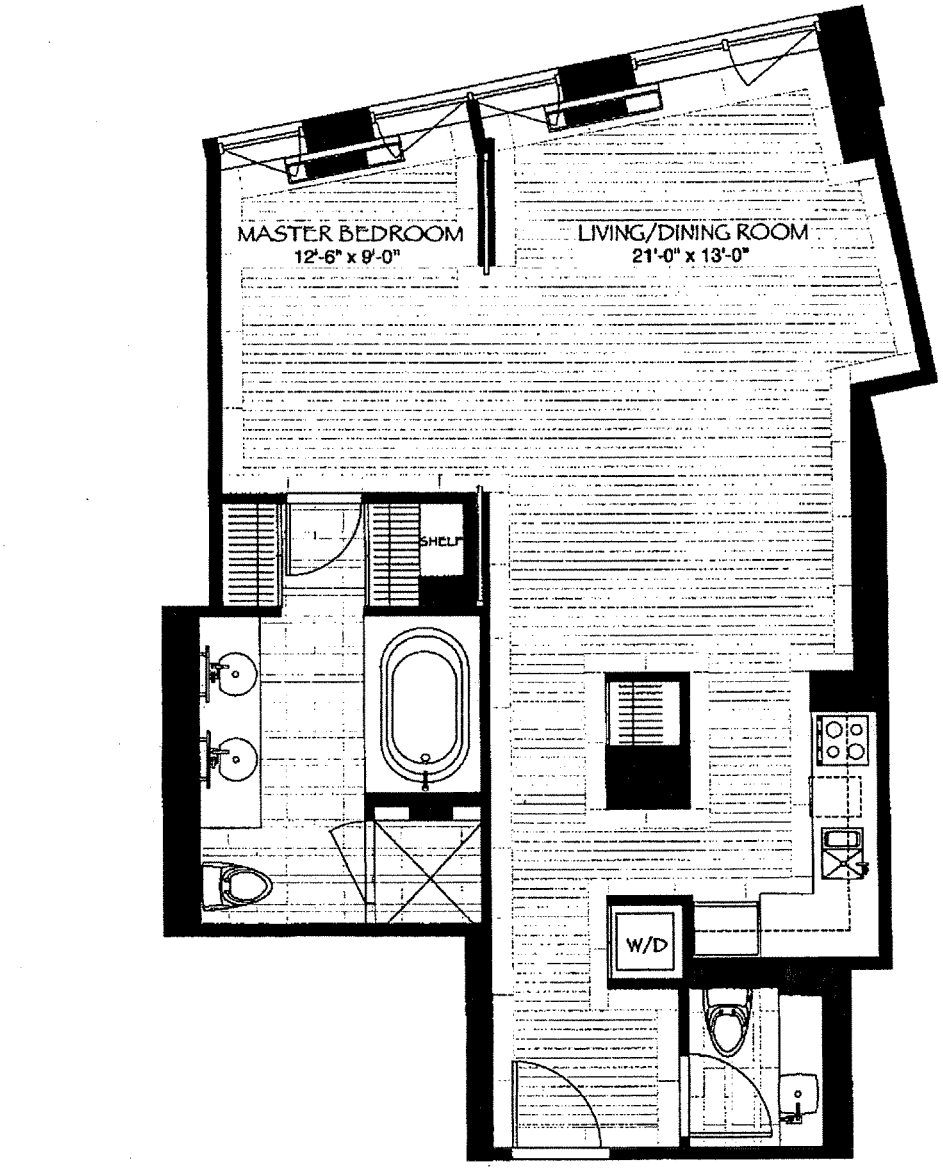




THE SETAI, NEW YORK
RESIDENCE F
25th FLOOR
STUDIO, 1 BATH

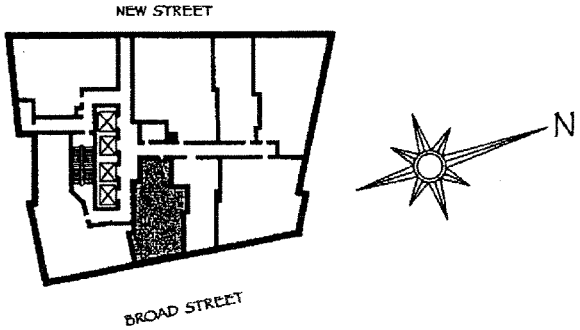
REV. 10/3/06

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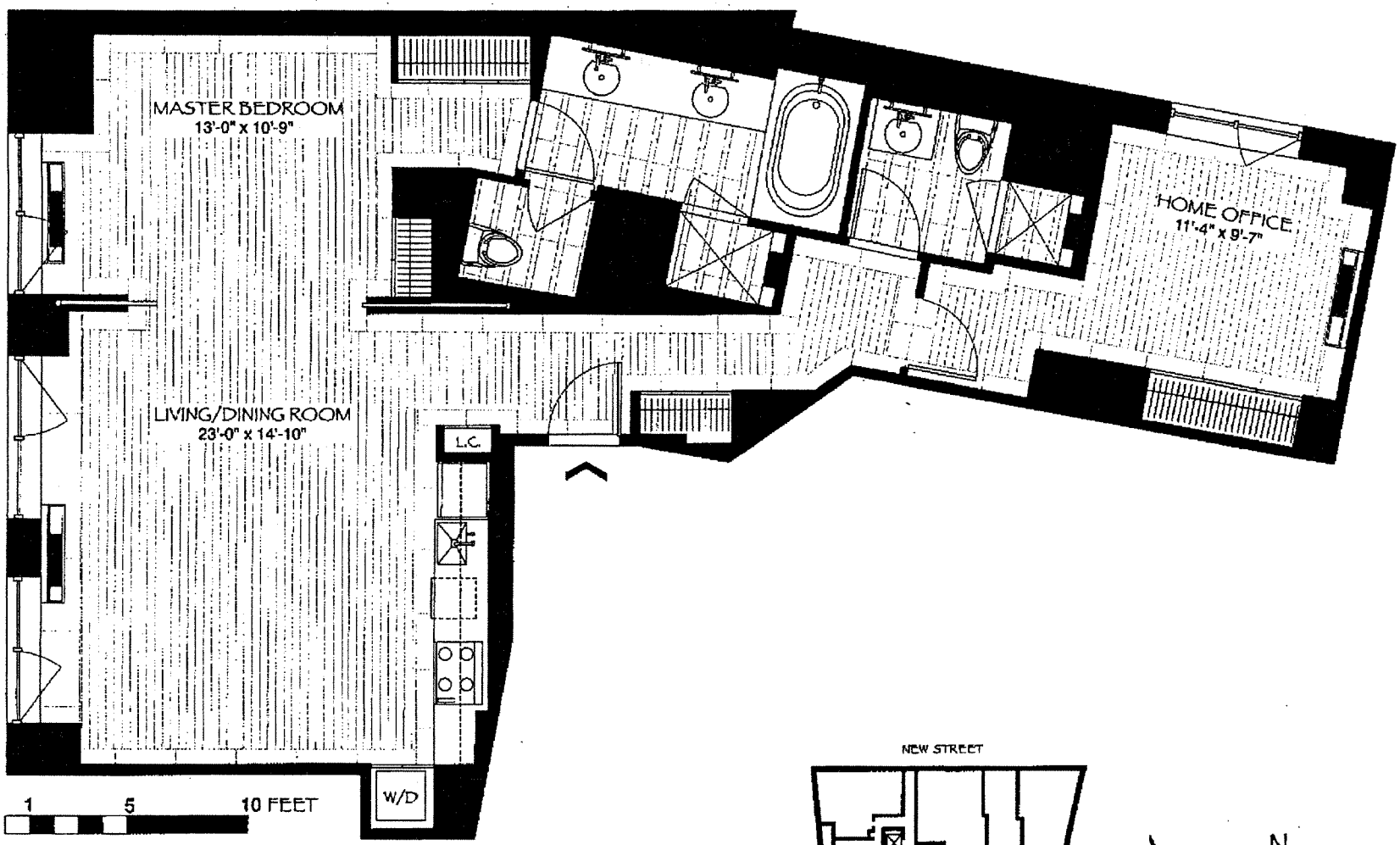


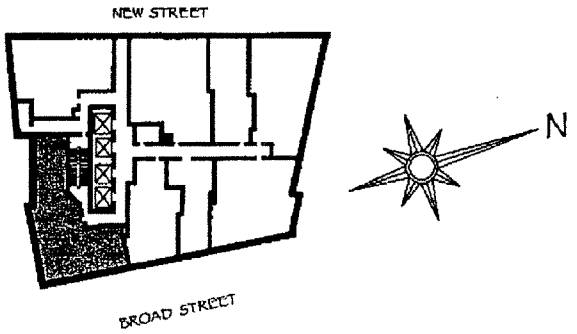
THE SETAI, NEW YORK
RESIDENCE G
25th FLOOR
1 BEDROOM, 1 1/2 BATHS

REV. 10/3/06
REV. 10/16/06



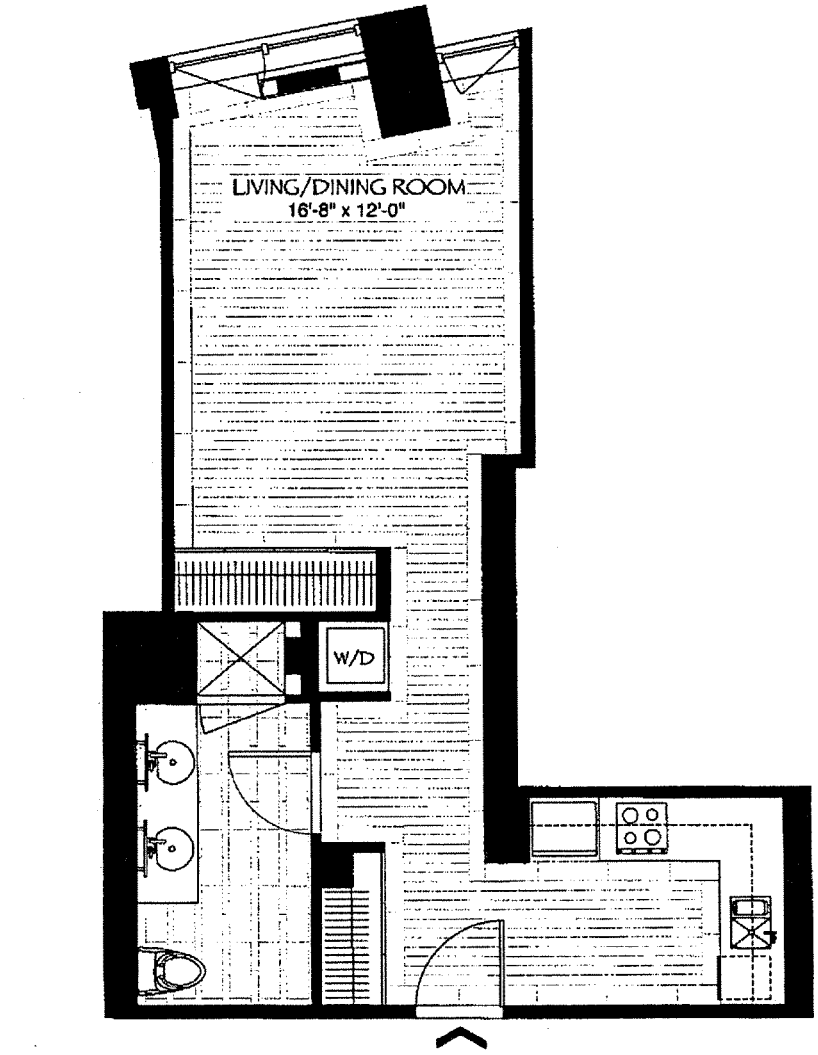
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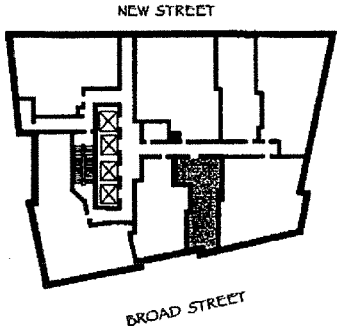


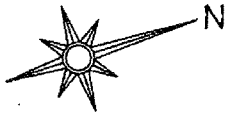
THE SETAI, NEW YORK
RESIDENCE H
FLOORS 25-27
1 BEDROOM, HOME OFFICE, 2 BATHS
REV. 10/3/06

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SCALE: 1 5 10 FEET

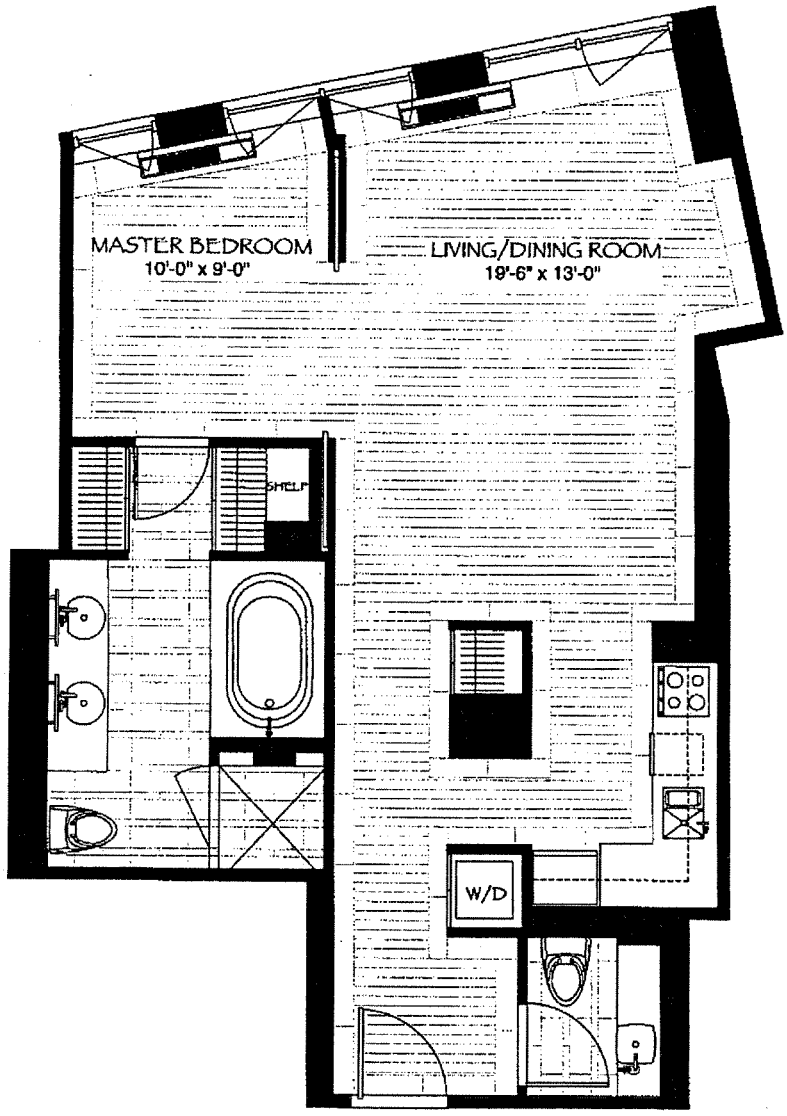




THE SETAI, NEW YORK
RESIDENCE F
FLOORS 26 & 27
STUDIO, 1 BATH

REV. 10/3/06

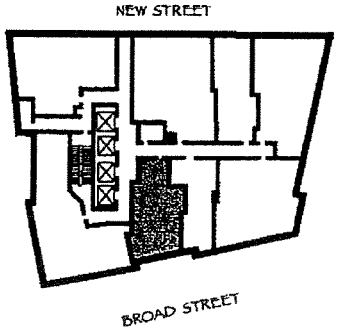
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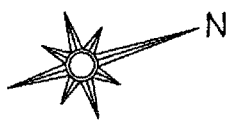


SCALE: 1 5 10 FEET

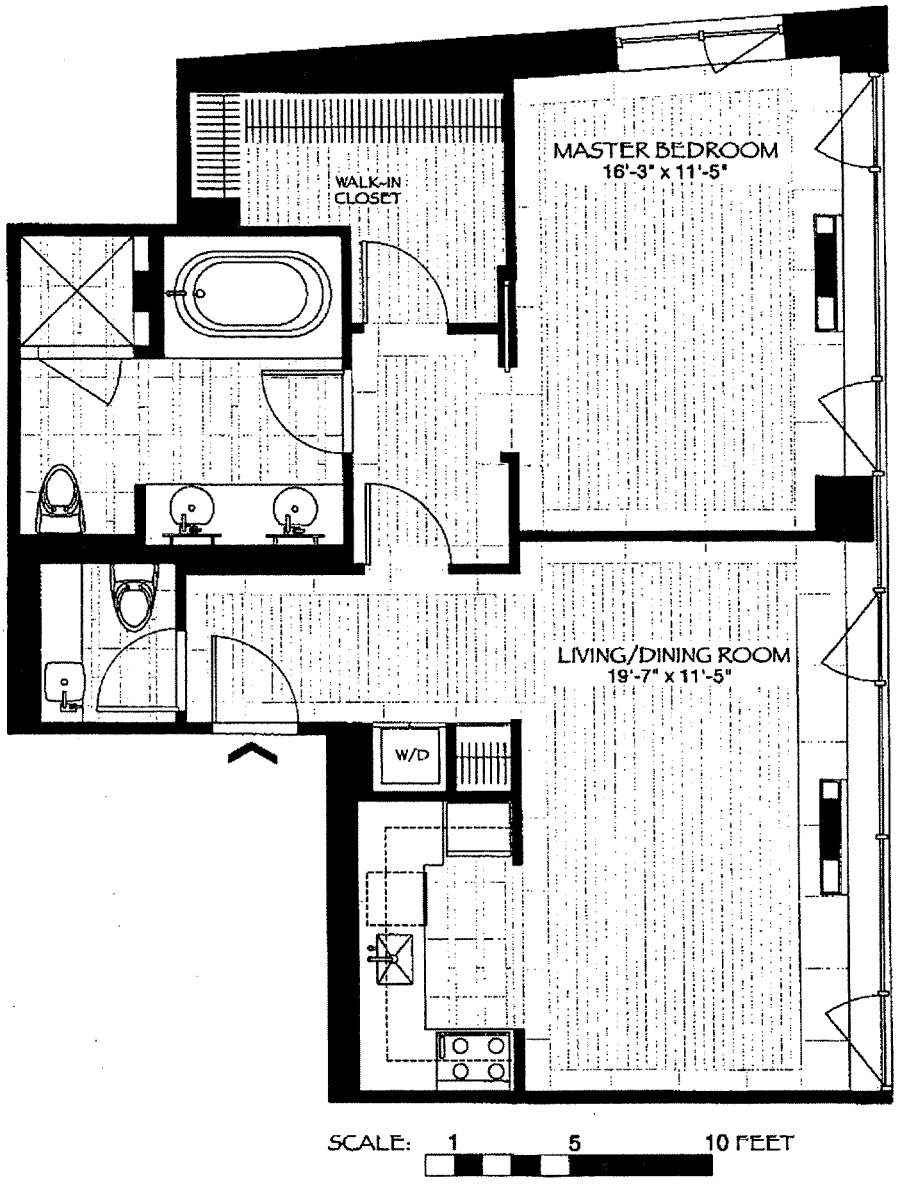
THE SETAI, NEW YORK
RESIDENCE G
FLOORS 26 & 27
1 BEDROOM, 1 1/2 BATHS

REV. 10/3/06
REV. 10/16/06



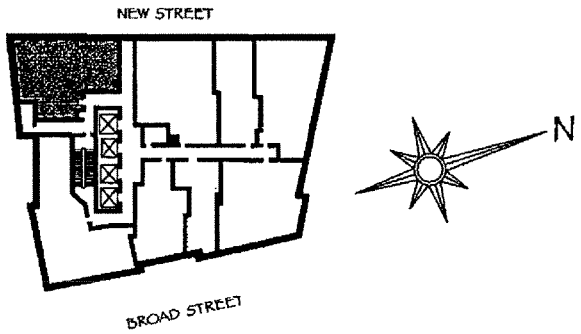


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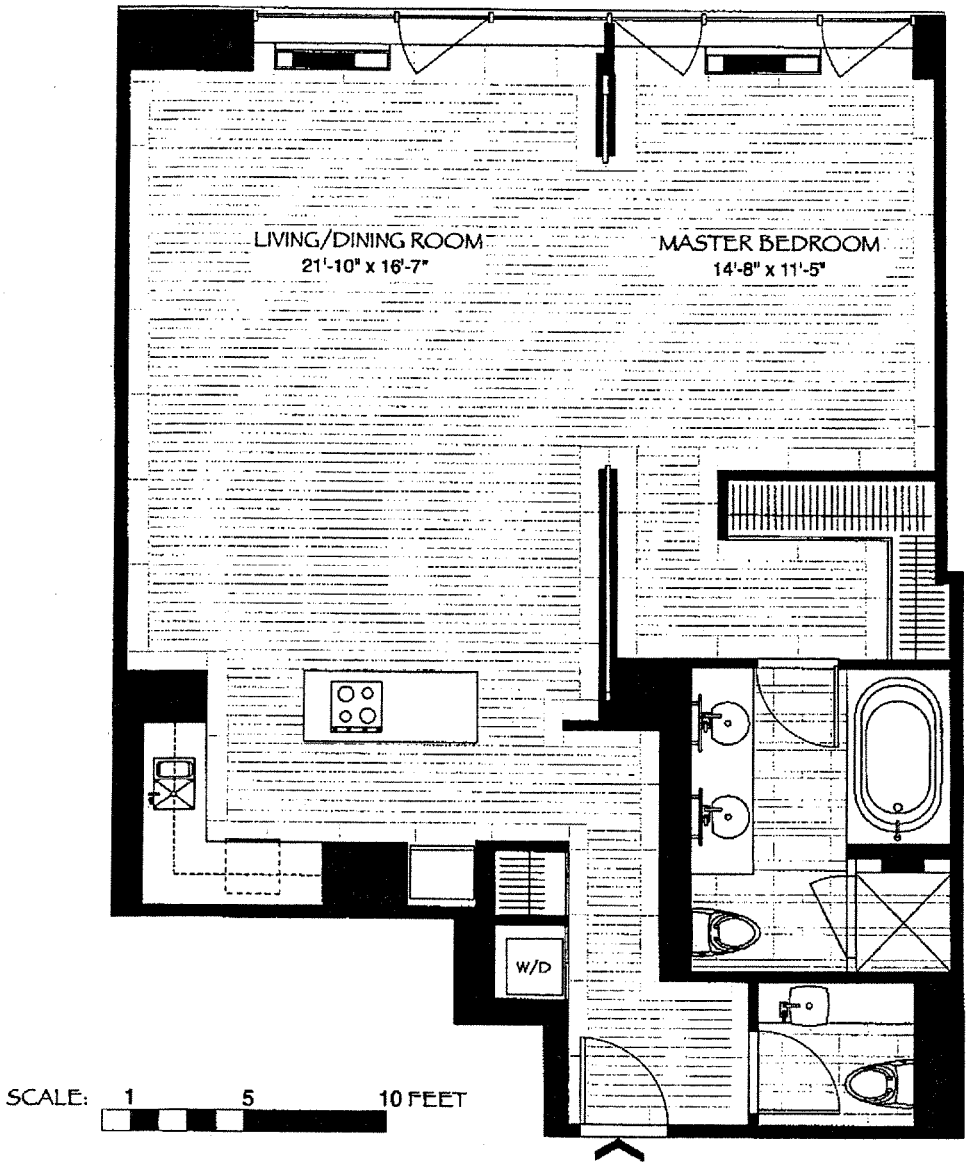


THE SETAI, NEW YORK
RESIDENCE A
28th FLOOR
1 BEDROOM, 1 1/2 BATHS

REV. 10/3/06

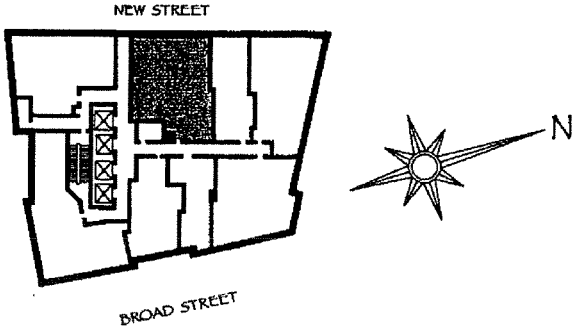


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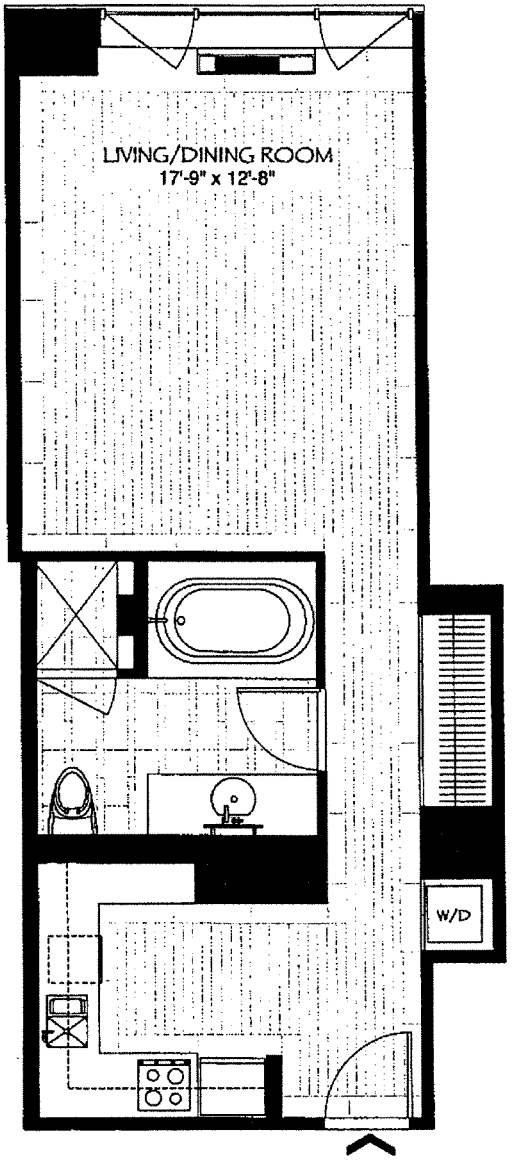


THE SETAI, NEW YORK
RESIDENCE B
28th FLOOR
1 BEDROOM, 1 1/2 BATHS

REV. 10/3/06



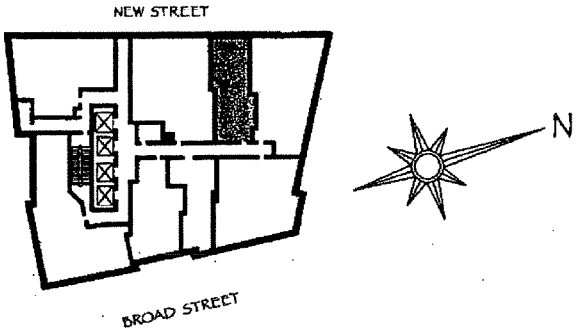
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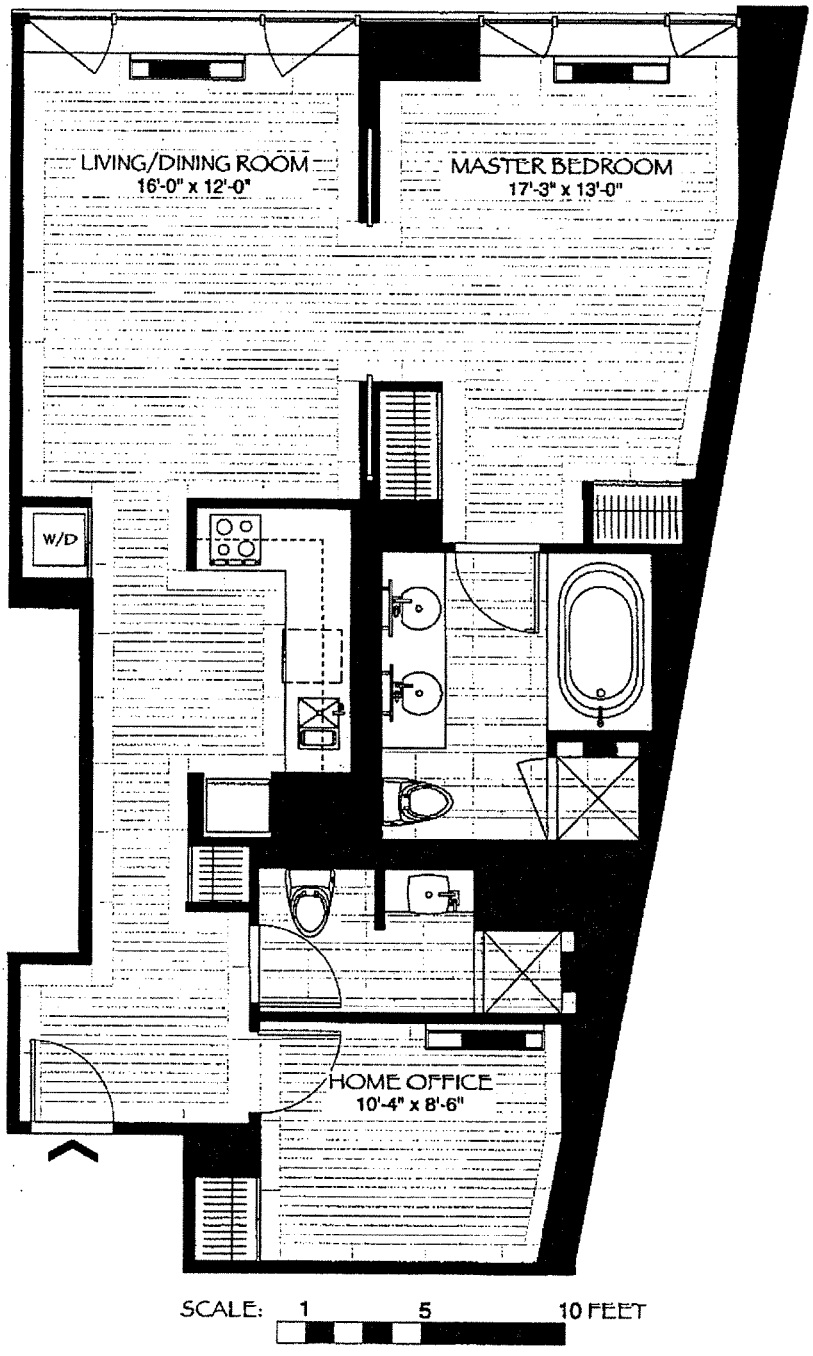
SCALE: 1 5 10 FEET

THE SETAI, NEW YORK
RESIDENCE C
28th FLOOR
STUDIO, 1 BATH

REV. 10/3/06

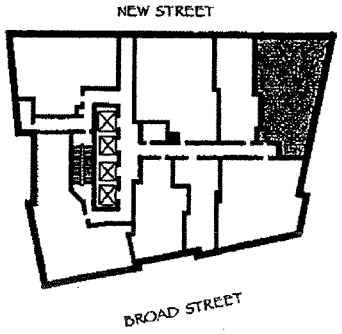


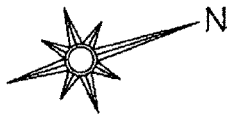
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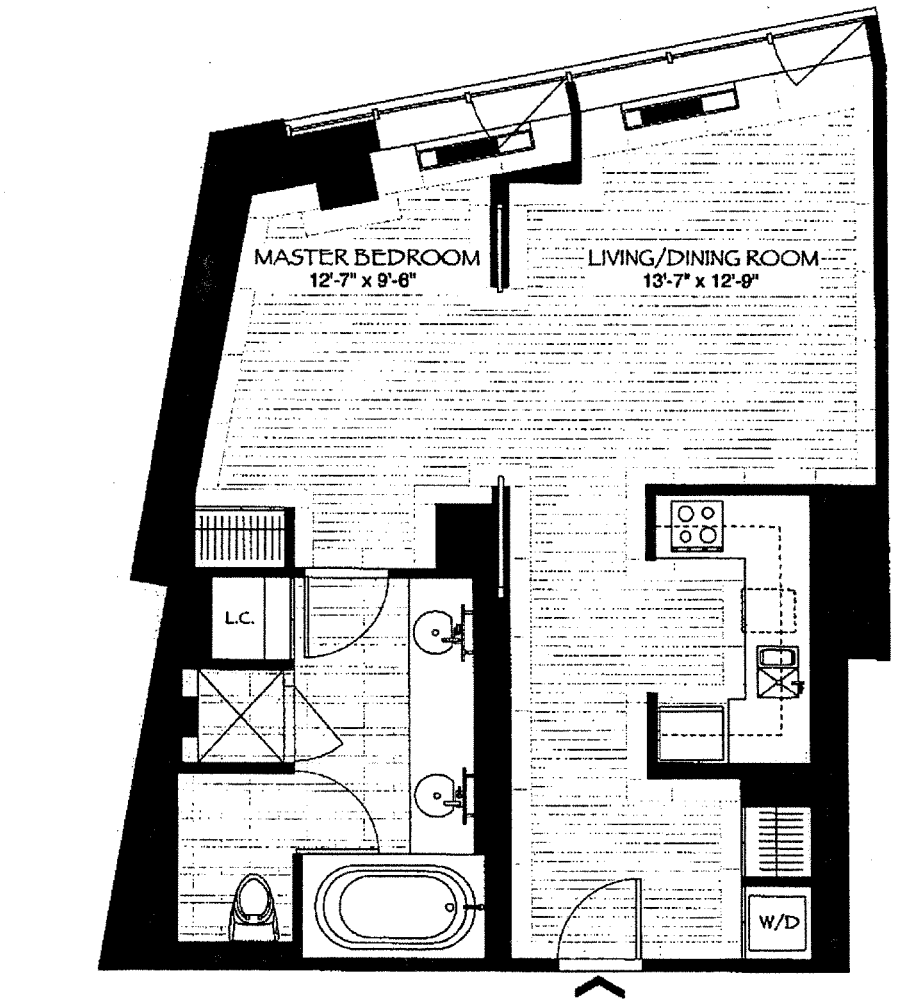
THE SETAI, NEW YORK
RESIDENCE D
28th FLOOR
1 BEDROOM, HOME OFFICE, 2 BATHS

REV. 10/3/06



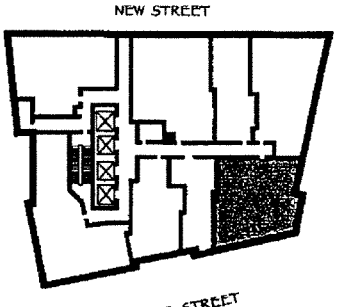


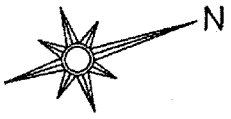
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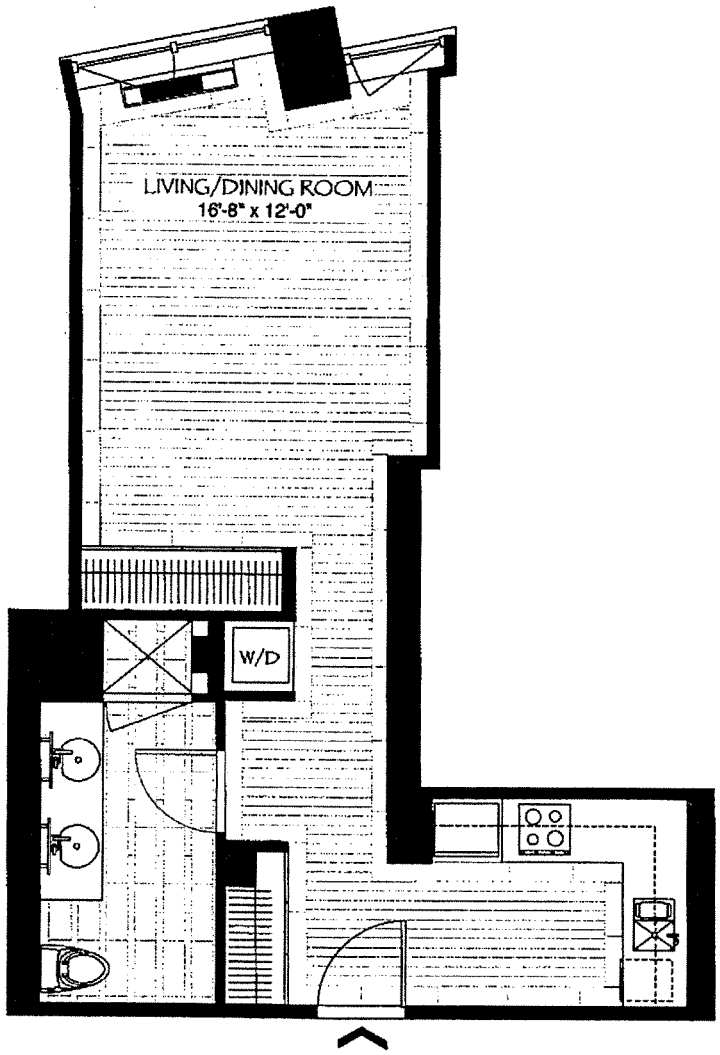
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RESIDENCE E
28th FLOOR
1 BEDROOM, 1 BATH

REV. 10/3/06



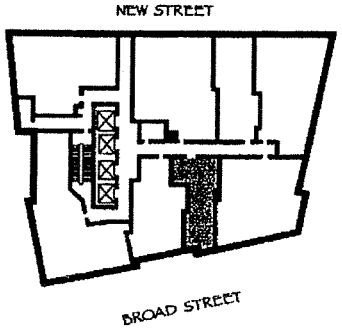


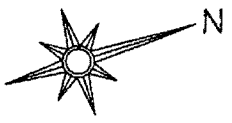
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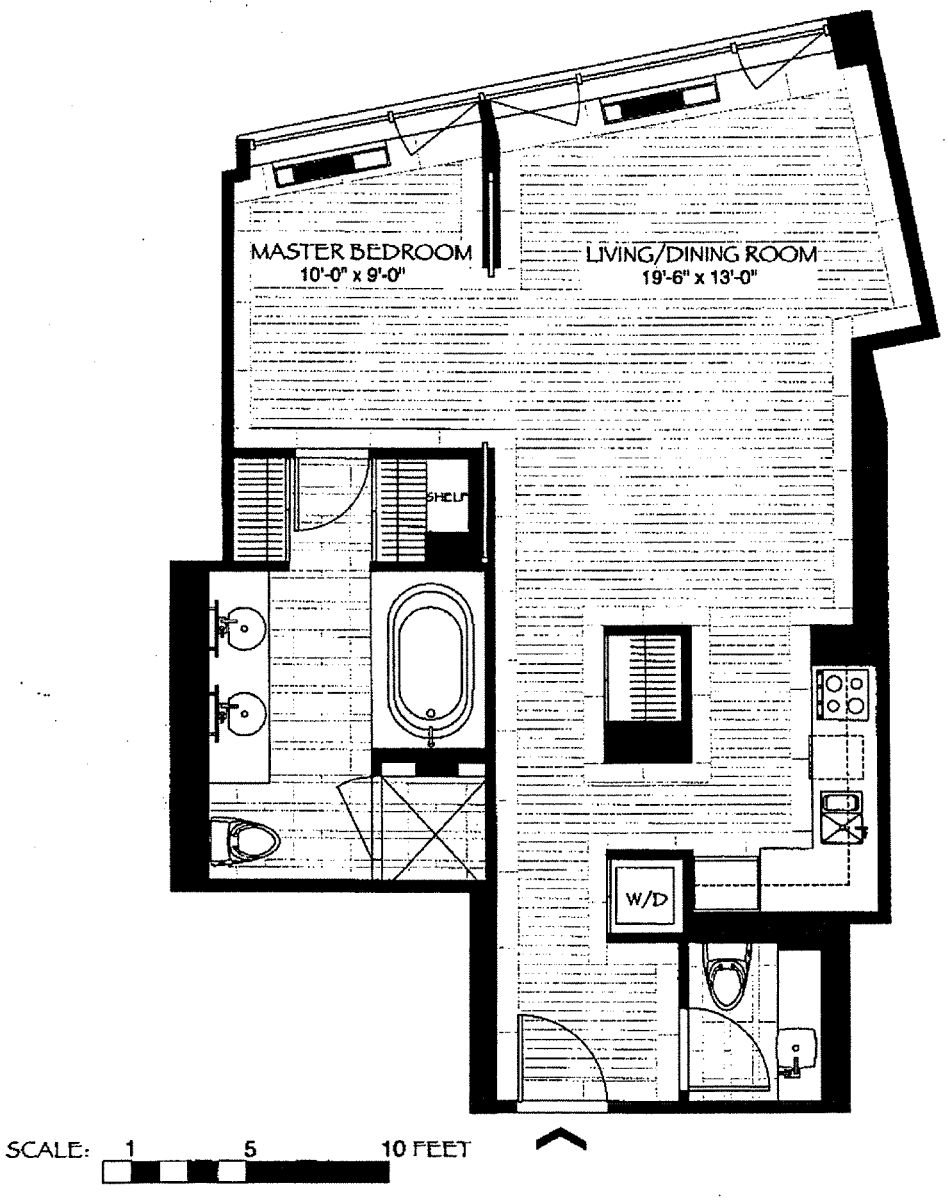
THE SETAI, NEW YORK
RESIDENCE F
28th FLOOR
STUDIO, 1 BATH





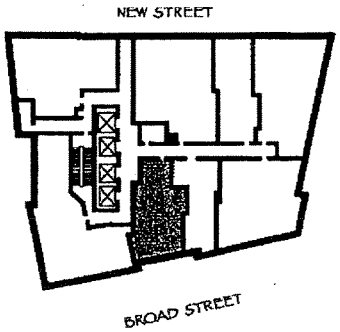
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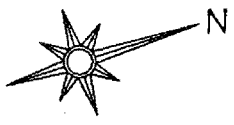
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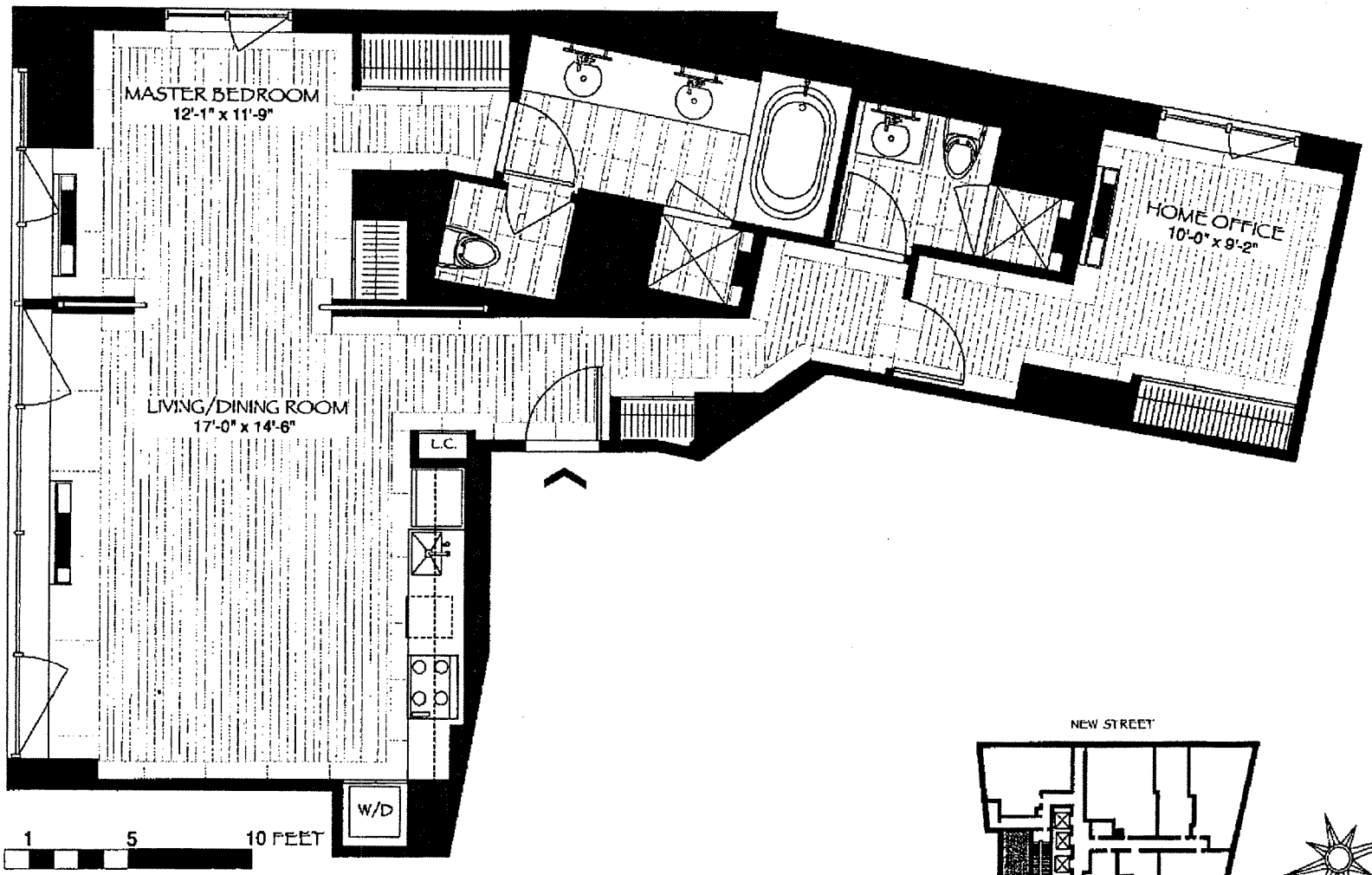
THE SETAI, NEW YORK
RESIDENCE G
28th FLOOR
1 BEDROOM, 1 1/2 BATHS

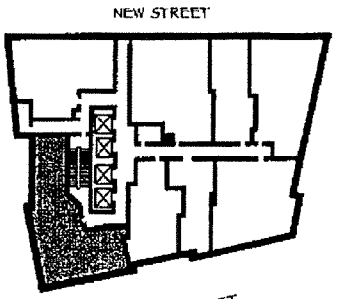
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REV. 10/16/06

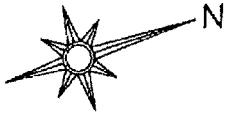




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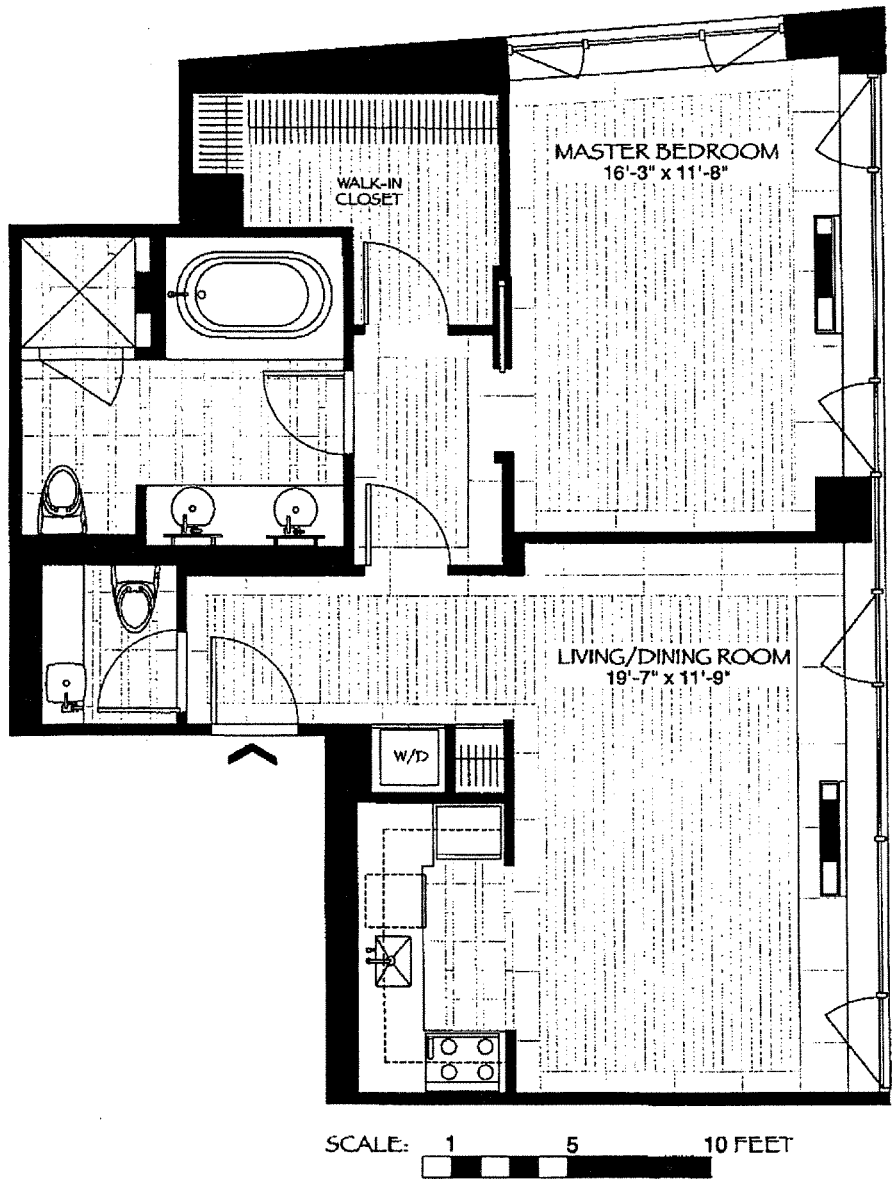




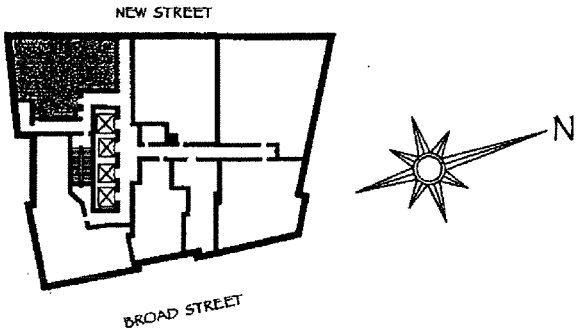


THE SETAI, NEW YORK
RESIDENCE H
28th FLOOR
1 BEDROOM, HOME OFFICE, 2 BATHS
REV. 10/3/06

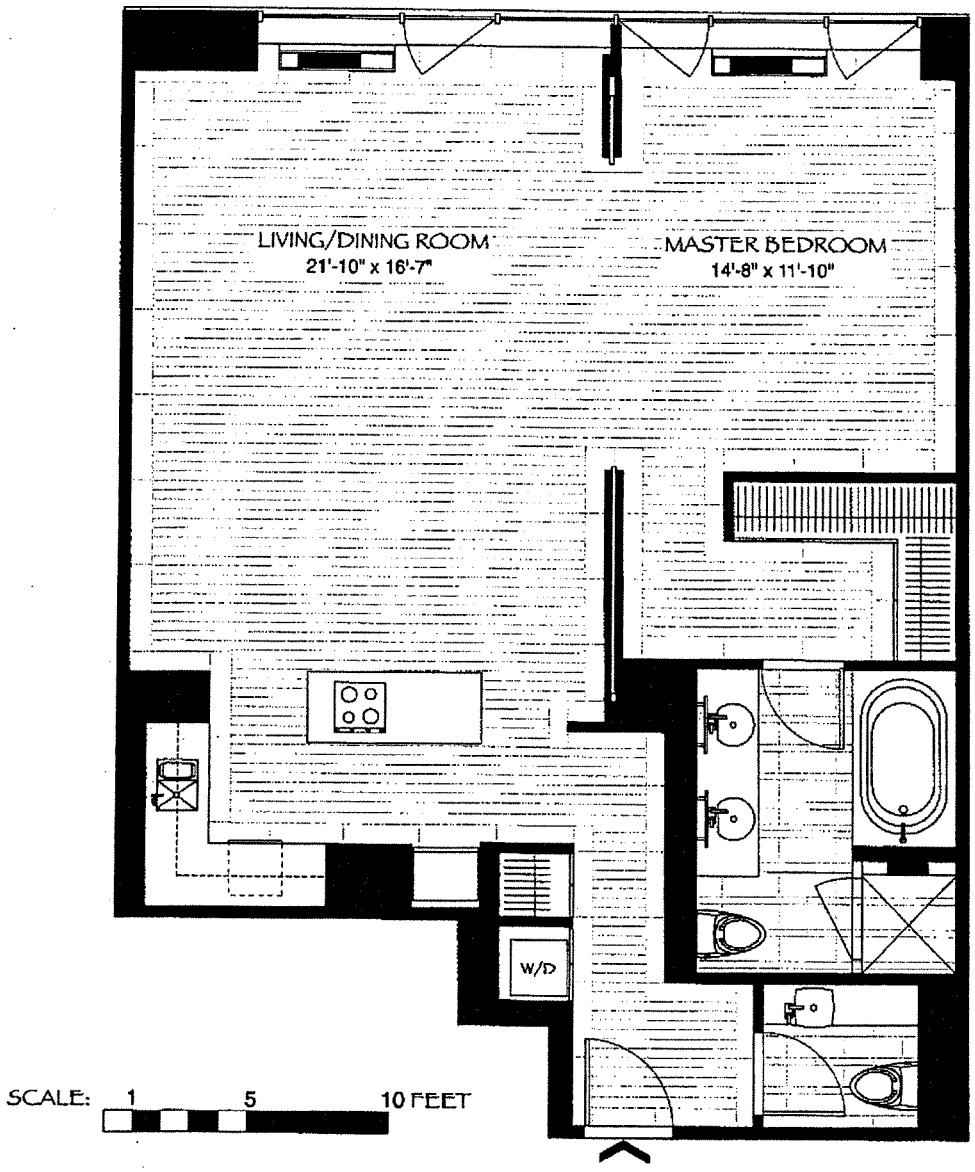
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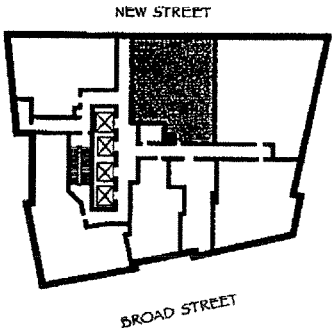
THE SETAI, NEW YORK
RESIDENCE A
PH1-PH4

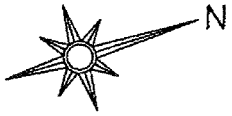


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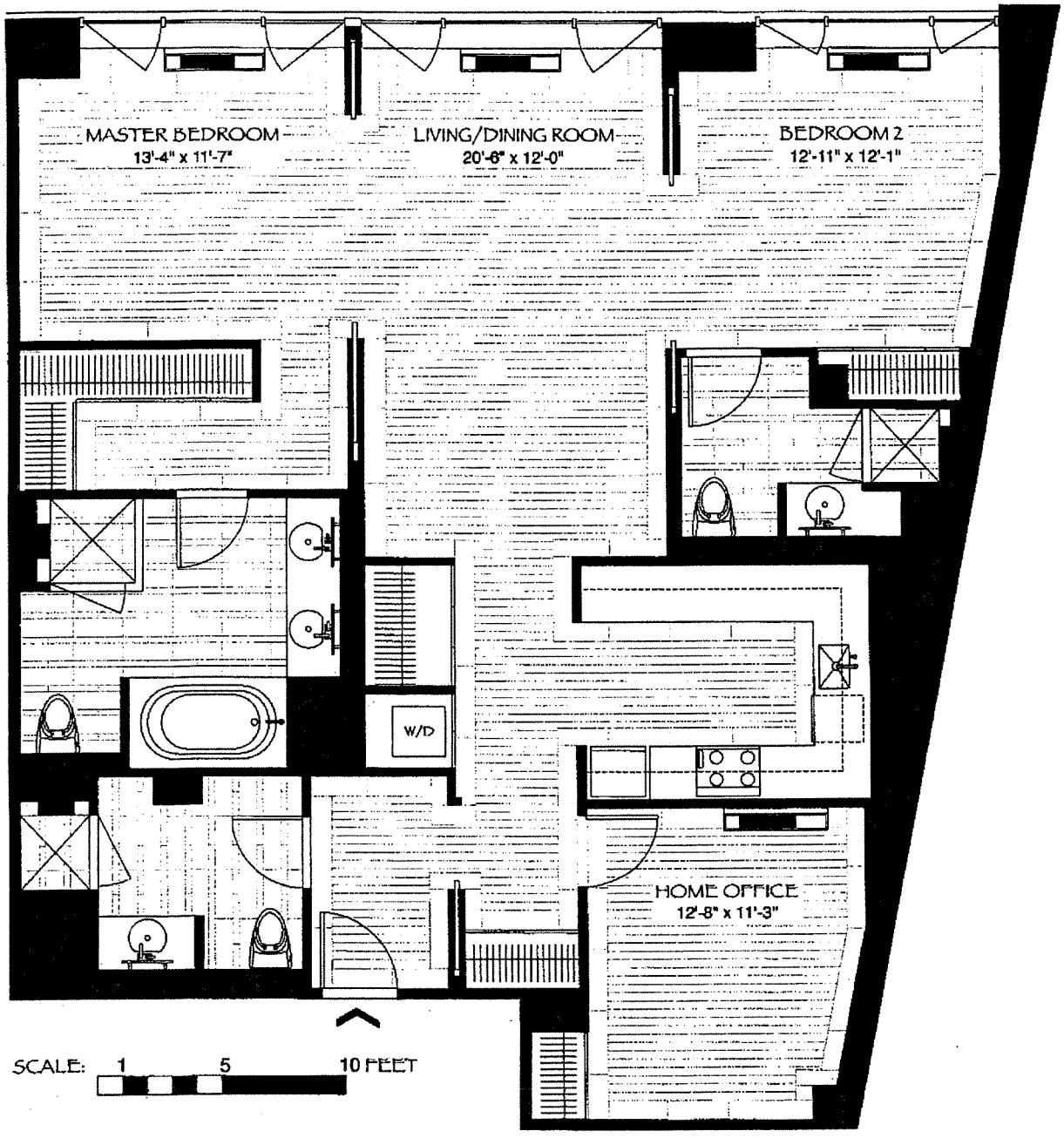


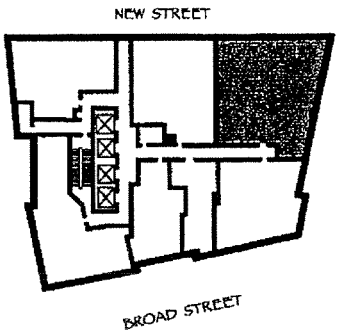
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PH1-PH4

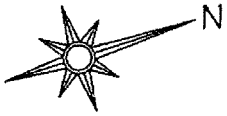




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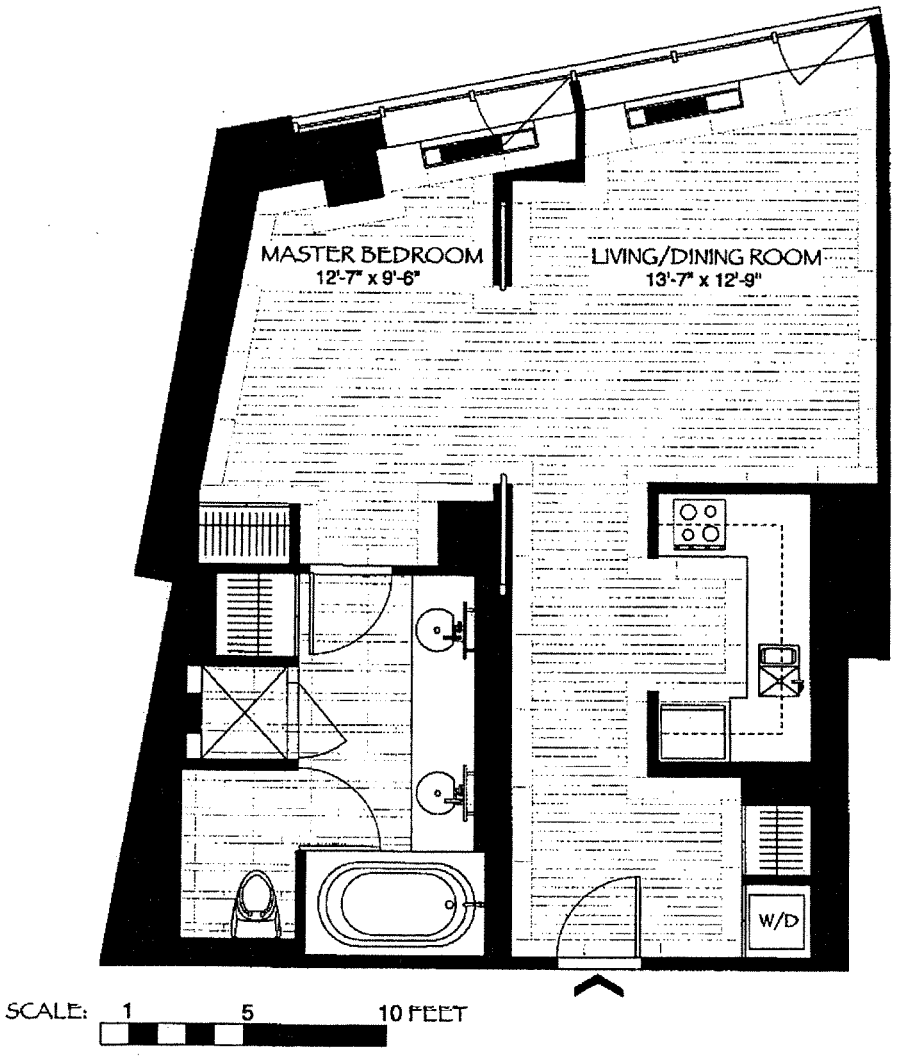




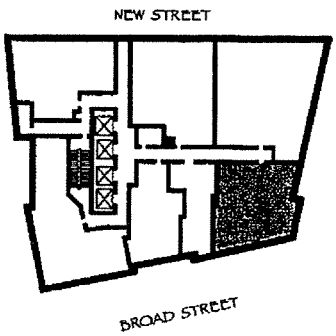
THE SETAI, NEW YORK
RESIDENCE C
PH1-PH4
2 BEDROOMS, HOME OFFICE, 3 BATHS

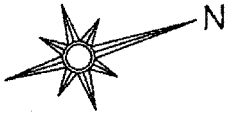
REV. 10/3/06
REV. 10/24/06

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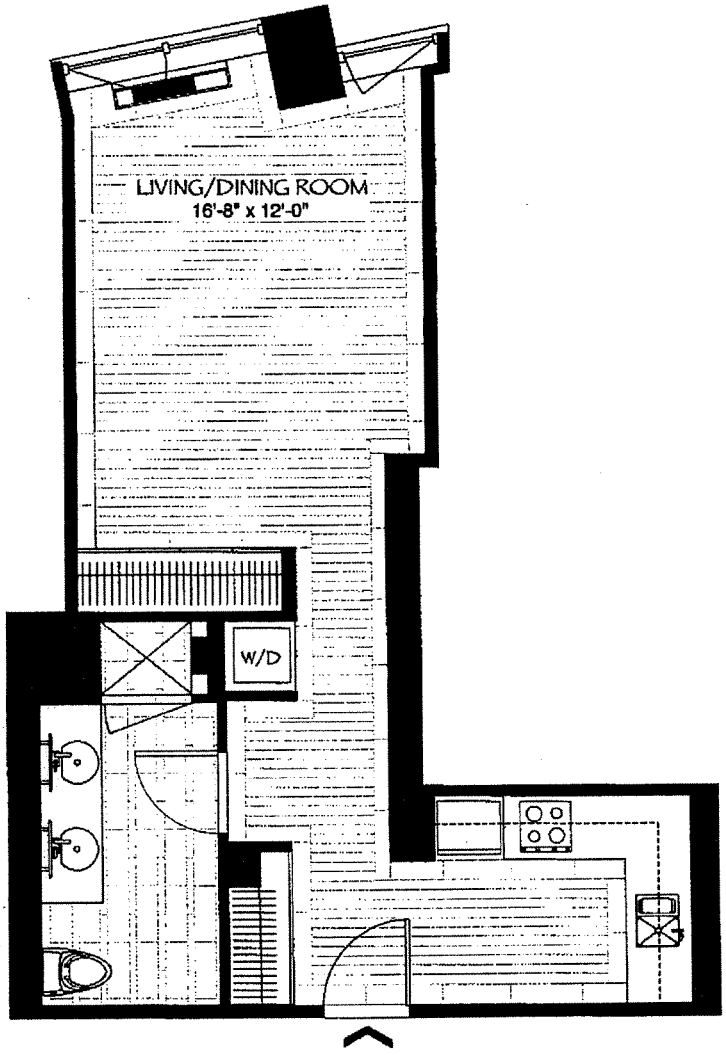


THE SETAI, NEW YORK
RESIDENCE D
PH1-PH4

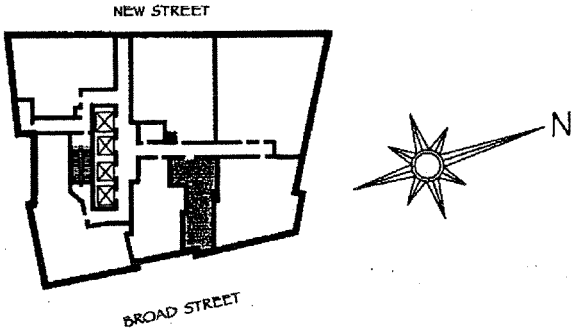




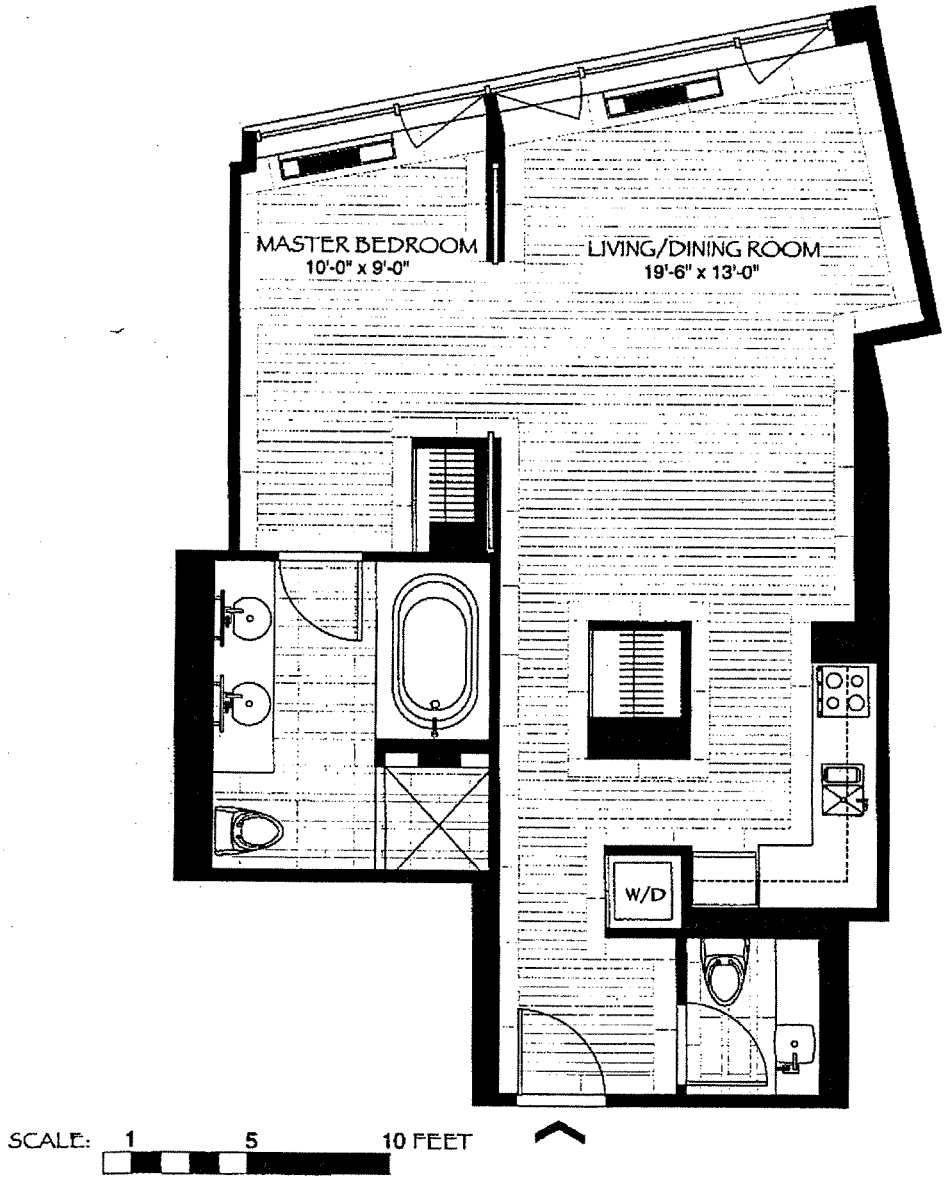
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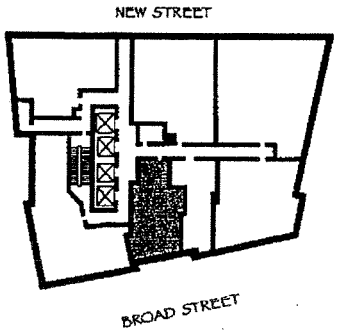


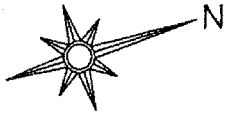
THE SETAI, NEW YORK
RESIDENCE E
PH1-PH4



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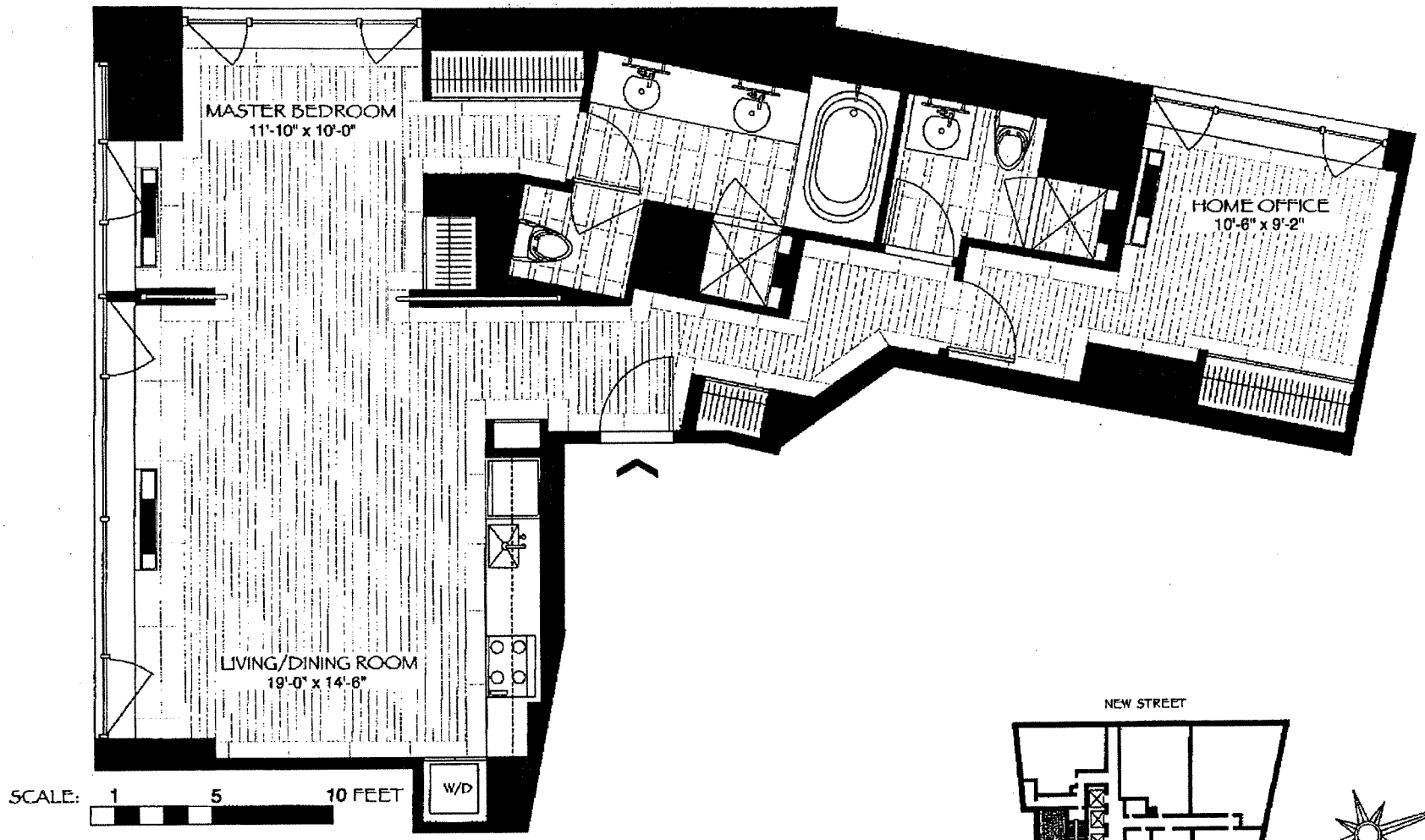


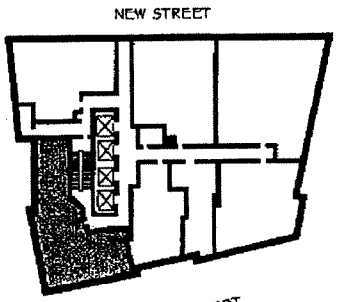


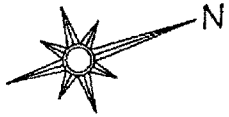


THE SETAI, NEW YORK
RESIDENCE F
PH1-PH4

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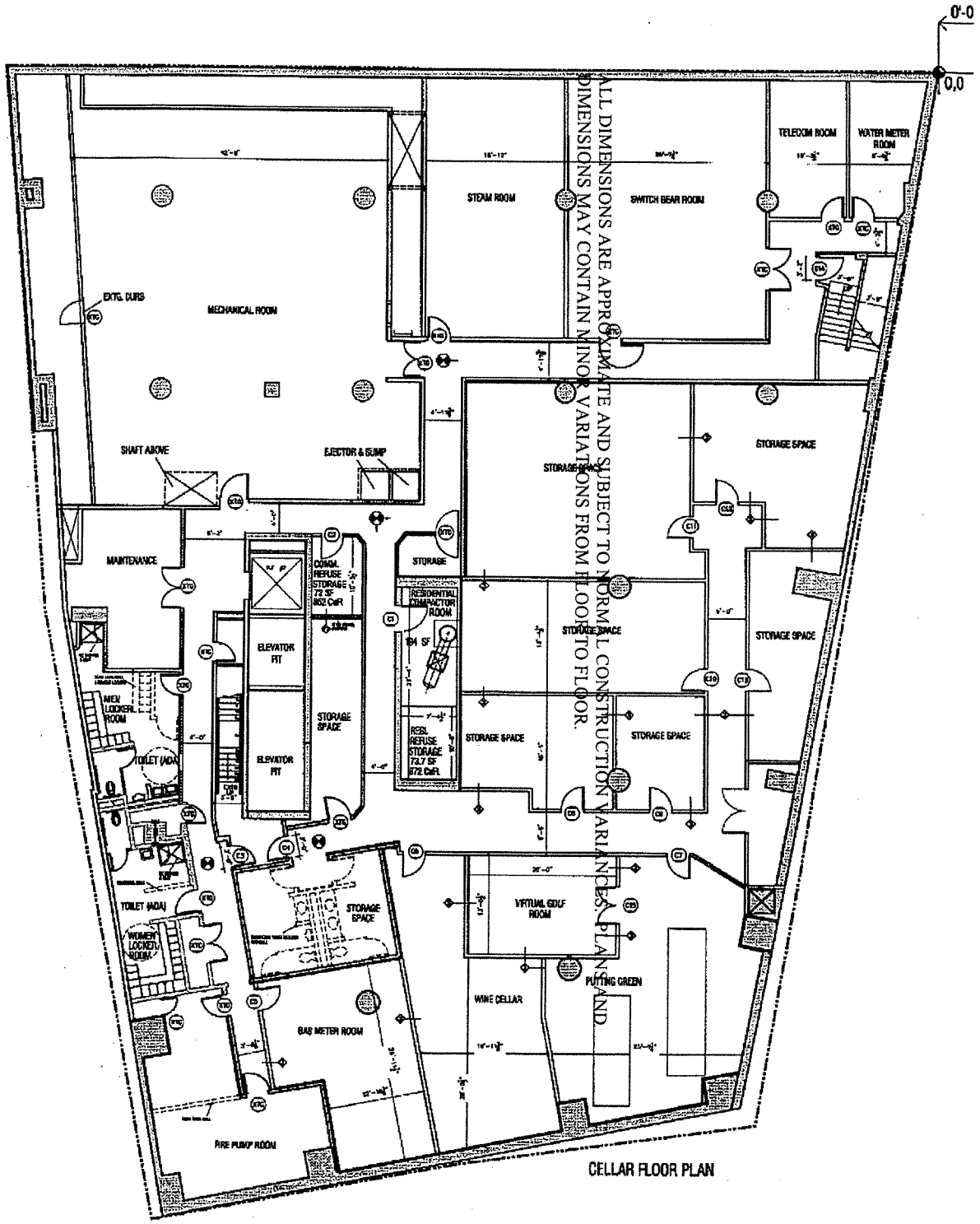






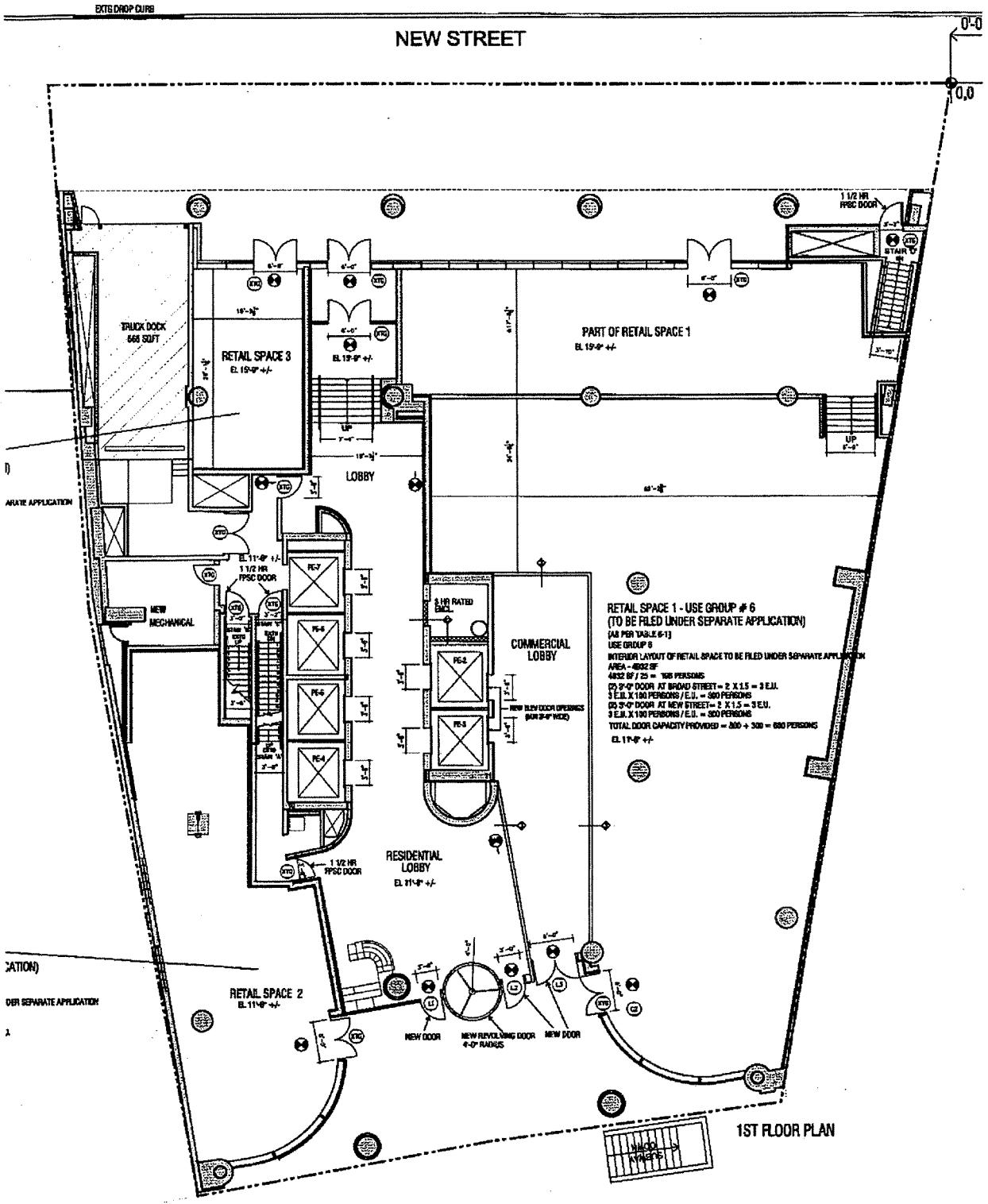
THE SETAI, NEW YORK
RESIDENCE G
PH1-PH4

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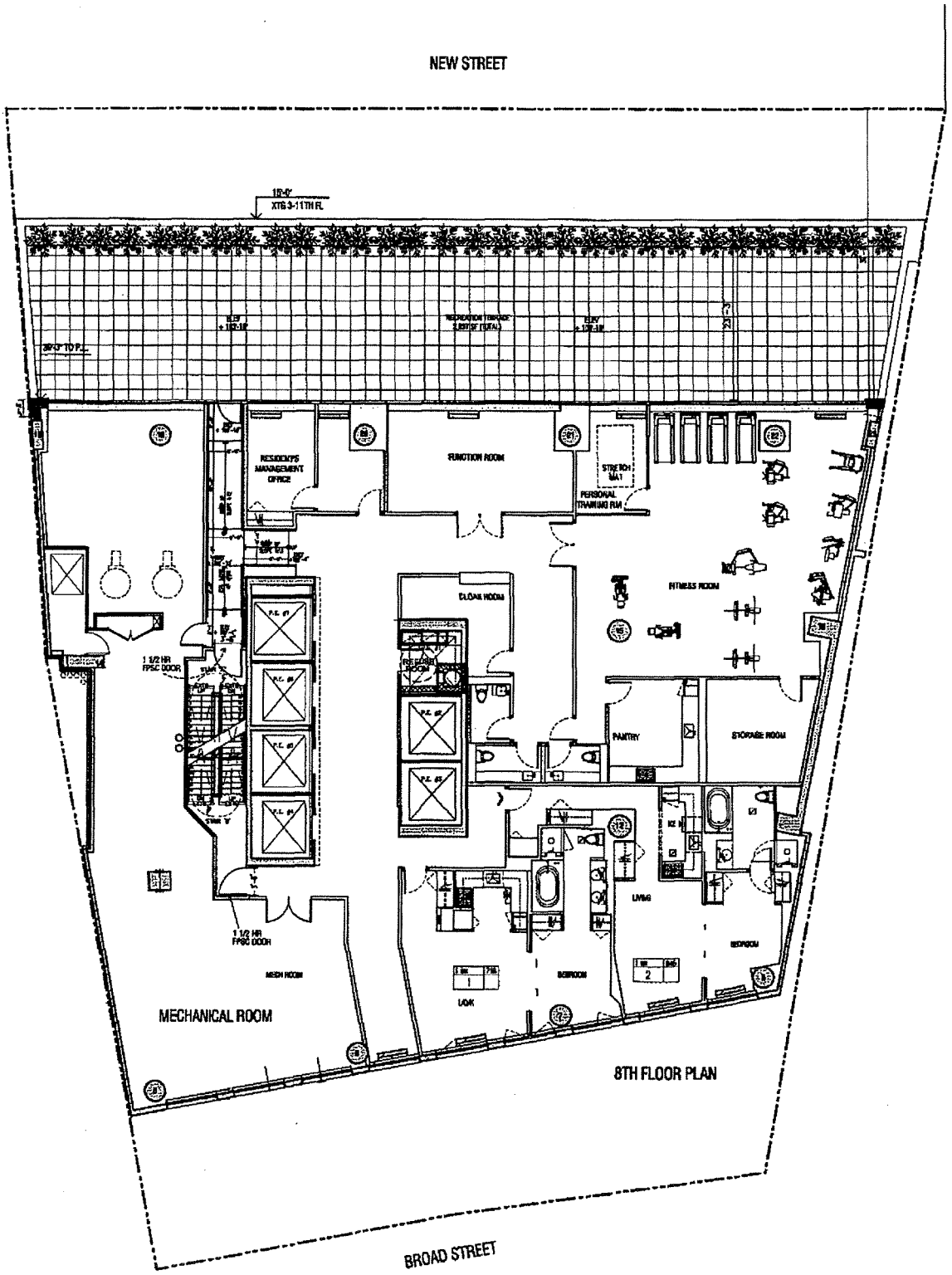


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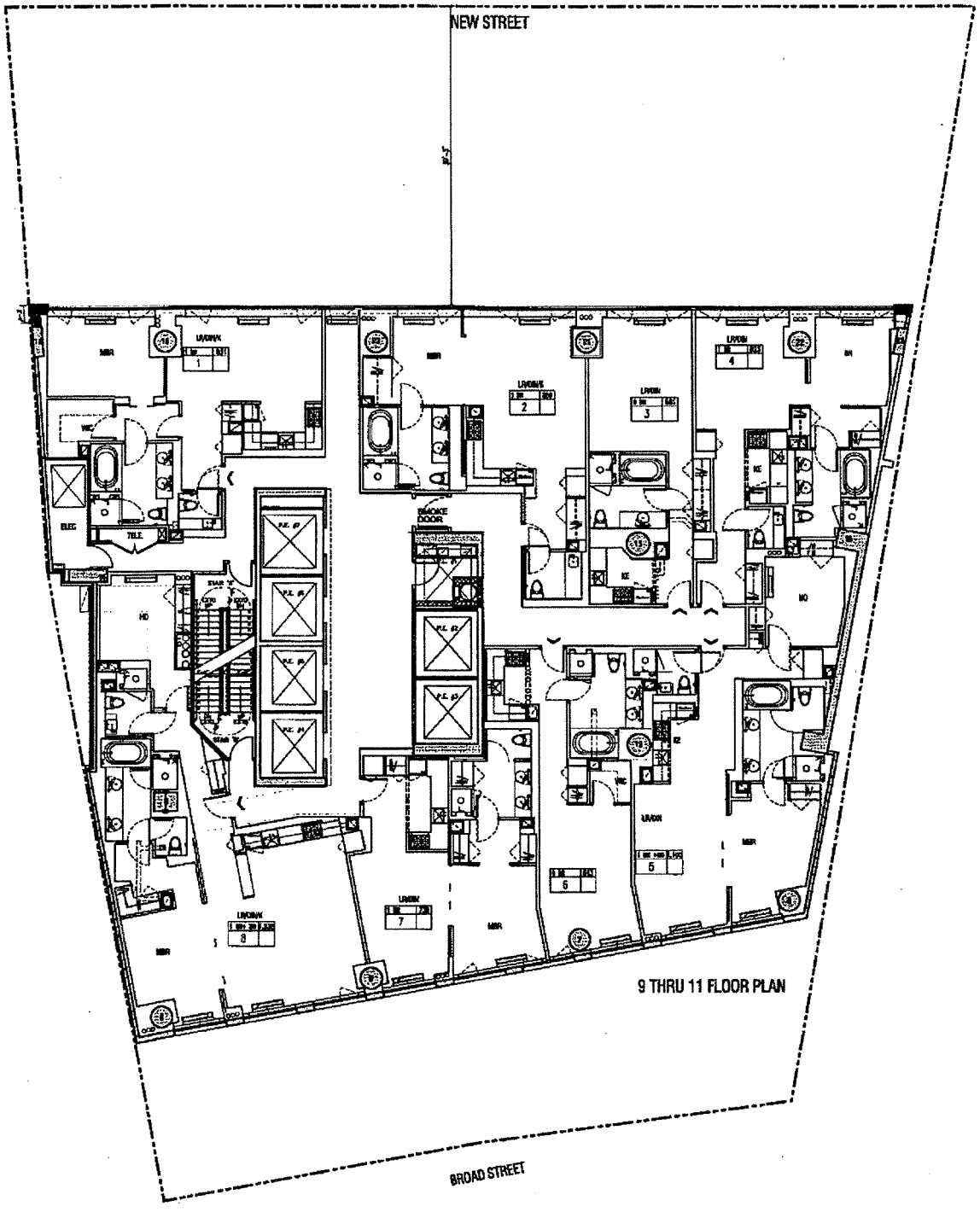
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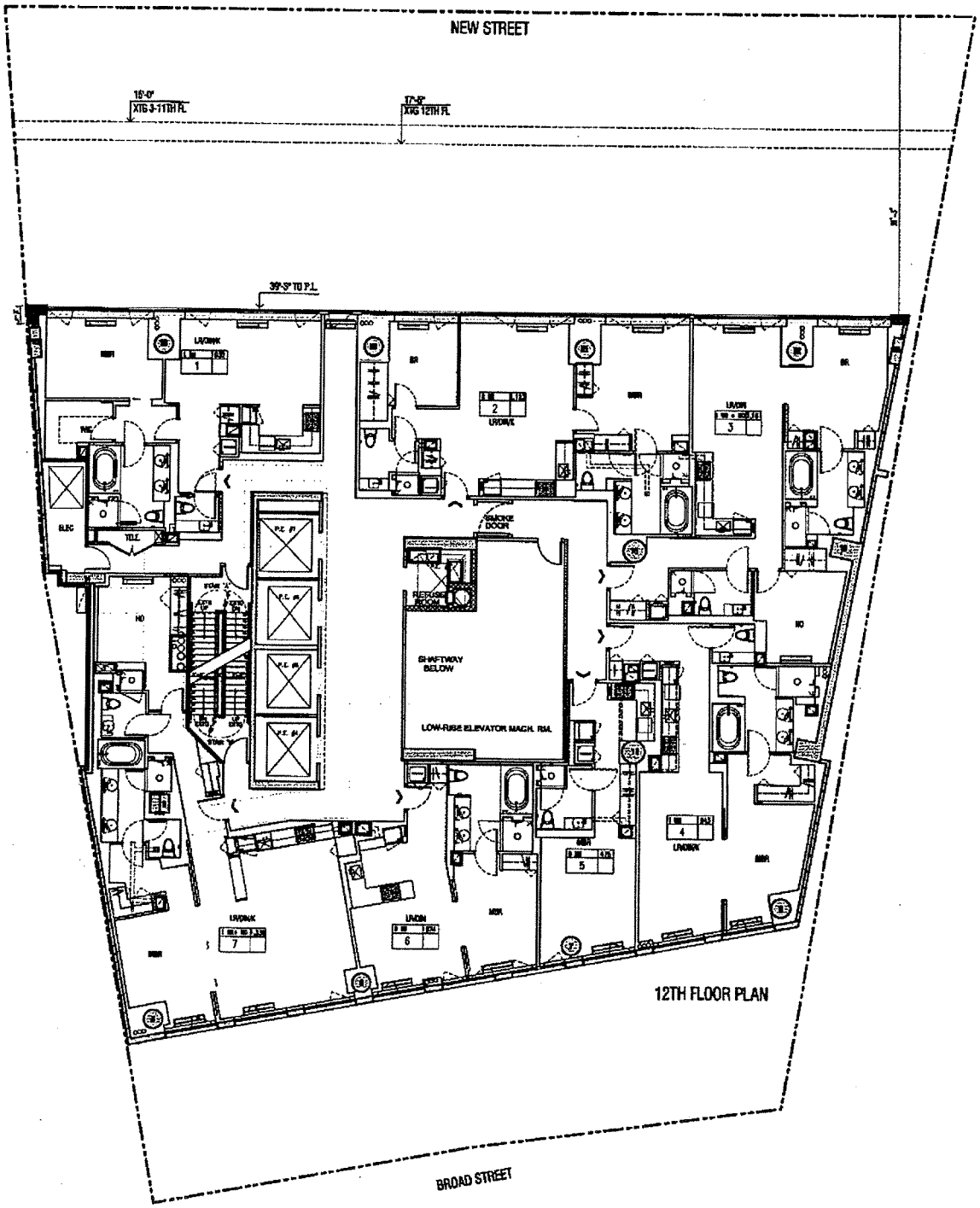
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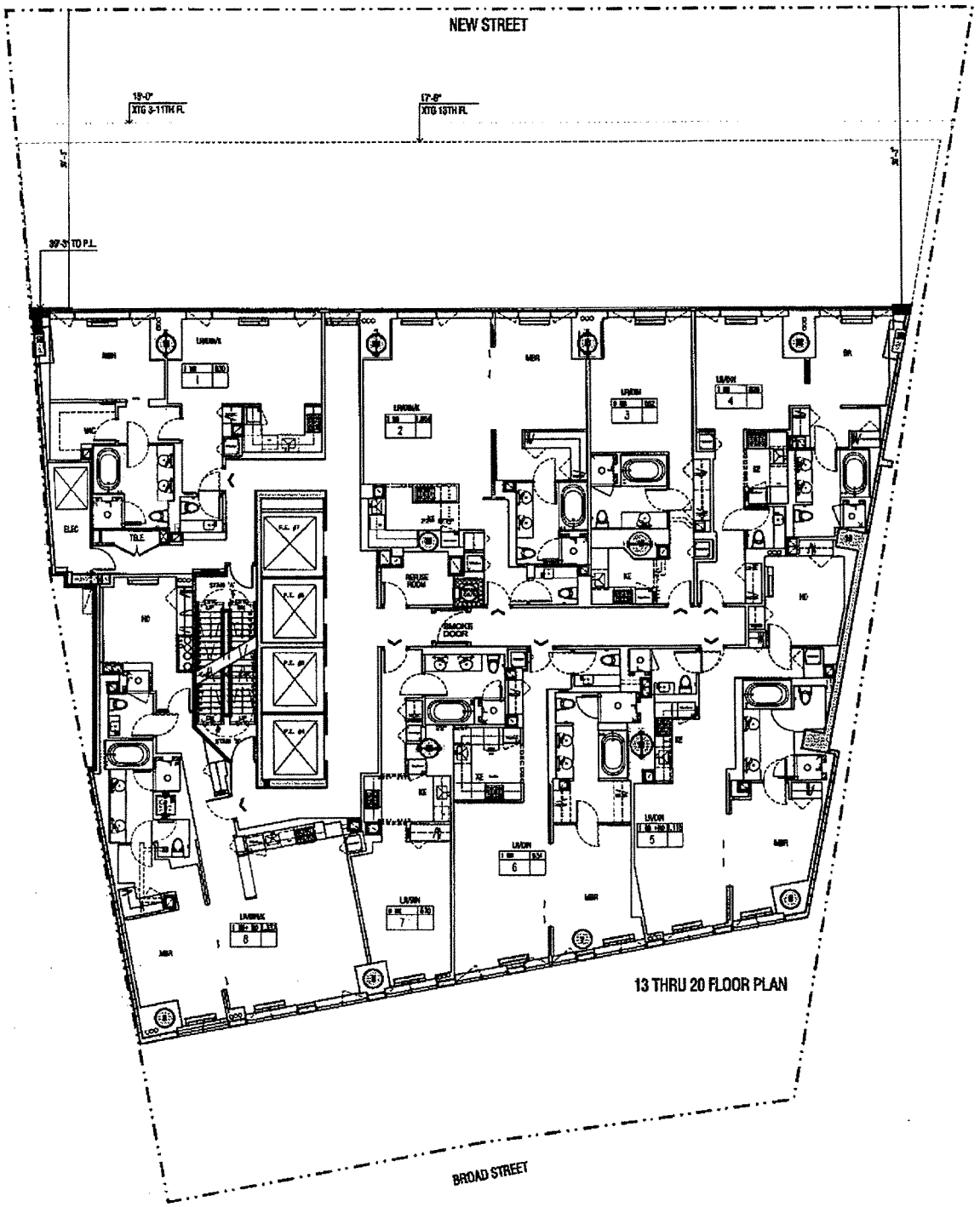
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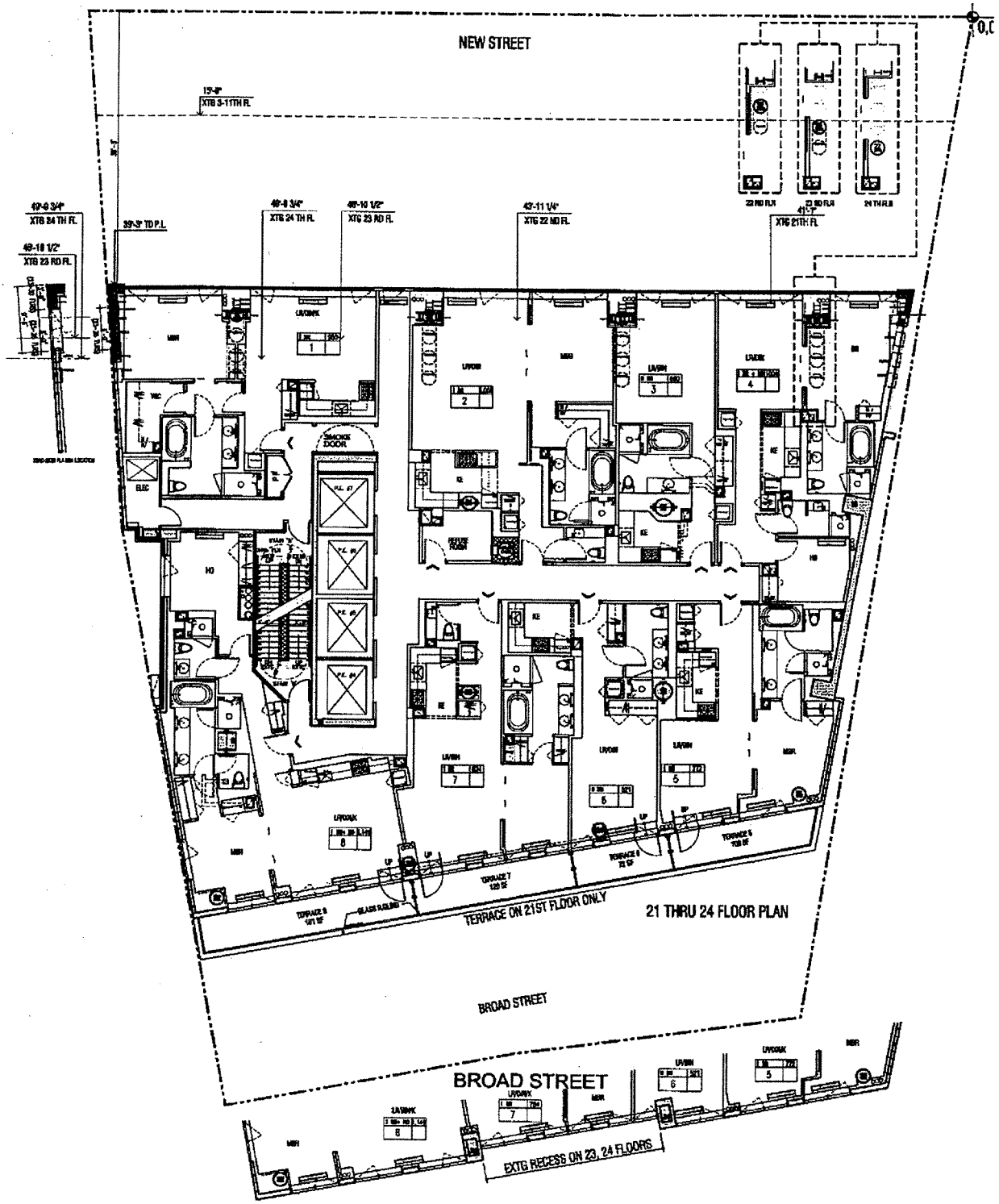
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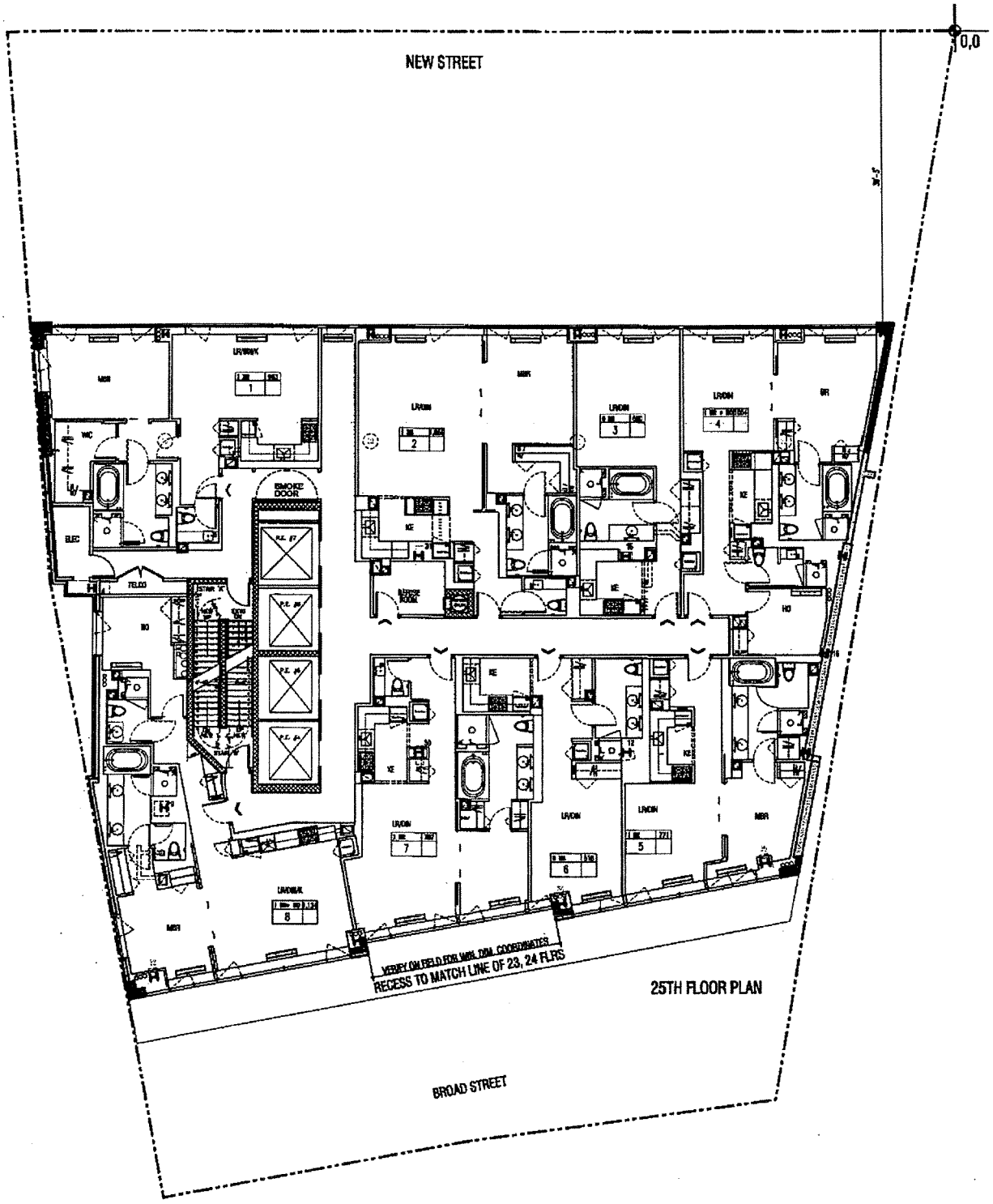
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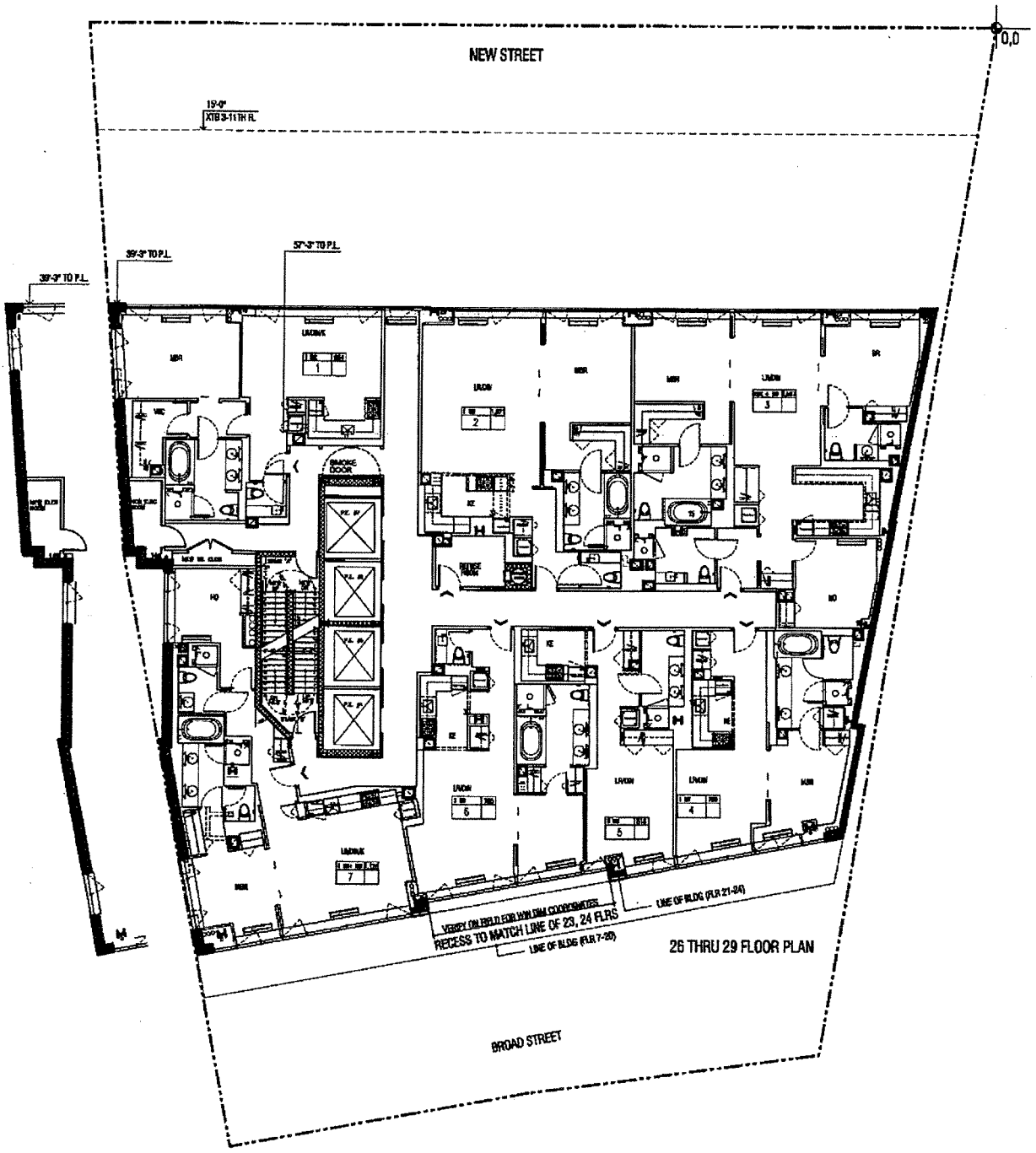
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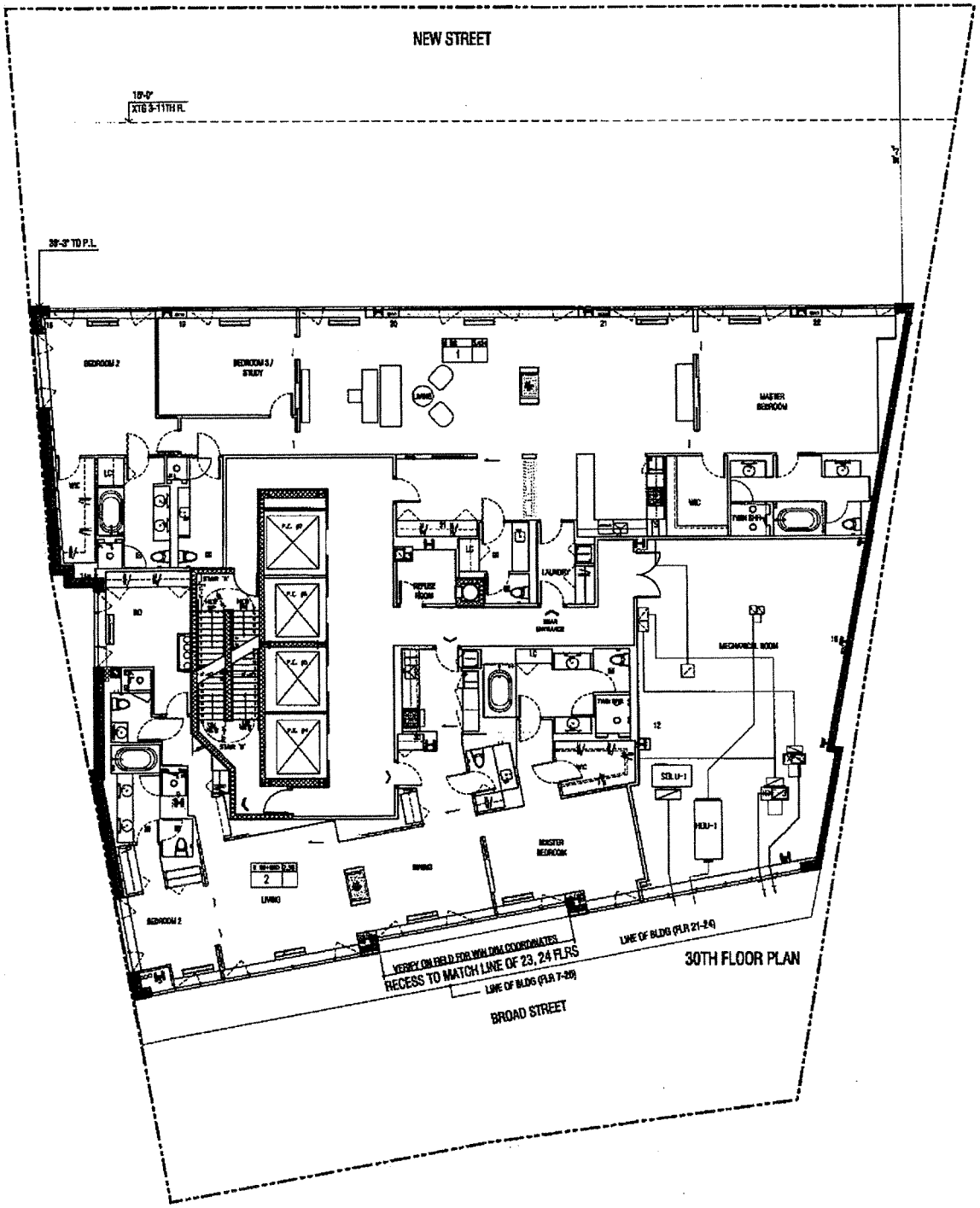
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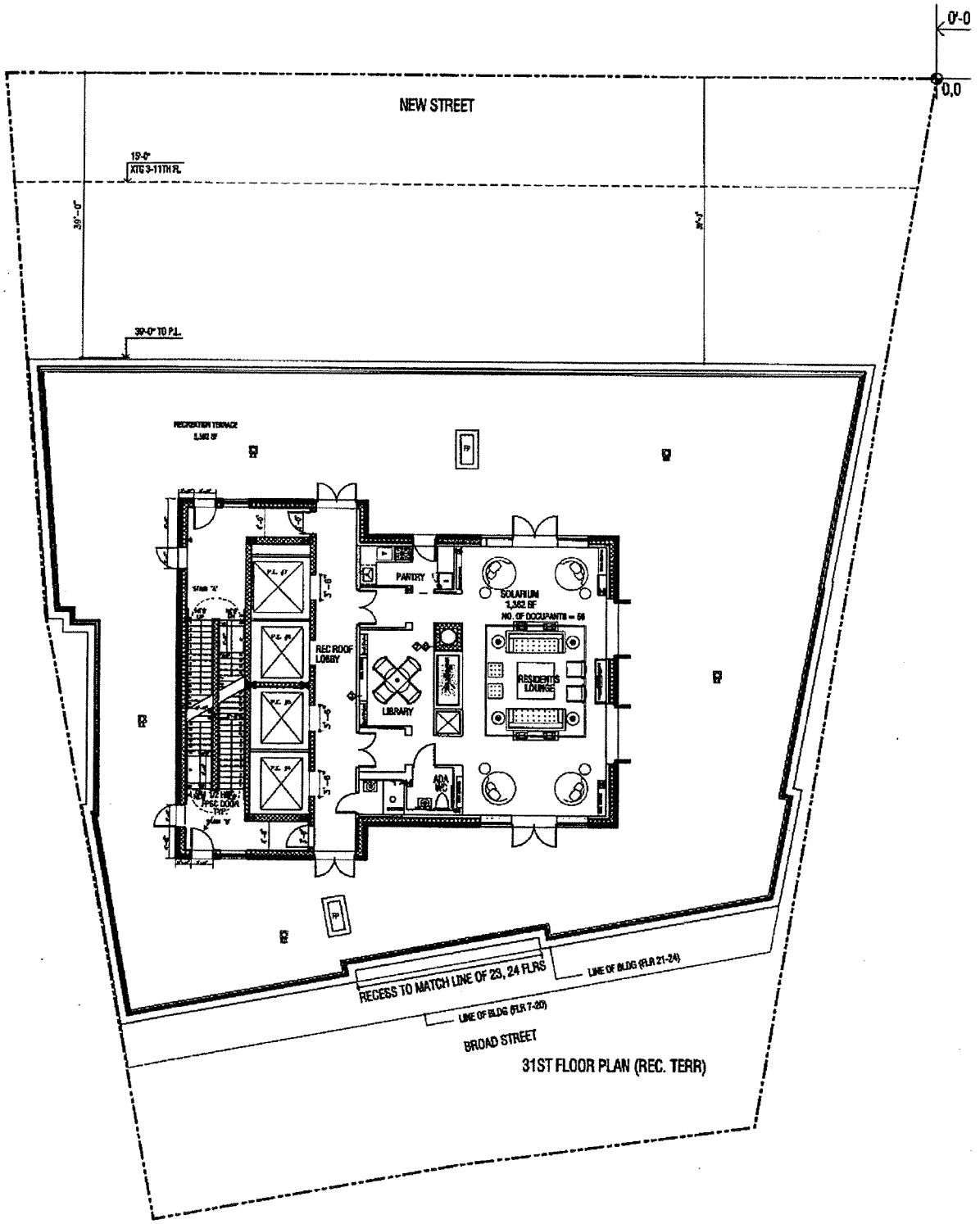


EXHIBIT 7

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as 40 Broad Street,
New York, New York
Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name

THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

Sponsor

40 BROAD LLC

Date of Declaration

_____ _, 200___

Block 24

Lot 32

Borough of Manhattan

When Recorded, Return to:

Kramer Levin Naftalis & Frankel LLP
Attorneys for Sponsor
1177 Avenue of the Americas
New York, New York 10036
Attention: Jay A. Neveloff, Esq.

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DECLARATION

OF

THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

40 BROAD LLC, a Delaware limited liability company having an office at c/o Zamir Equities, 587 Fifth Avenue, 7th Floor, New York, New York 10017 ("Sponsor" or "Fee Owner"), does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY; BY-LAWS

1.1 Submission of Property. Sponsor 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 (as the same may be amended from time to time, the "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known (subject to the provisions of this Declaration) as "The Setai Condominium Residences at 40 Broad Street" (the "Condominium").

Development Rights. The Property includes that portion of the unused floor area development rights that are subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Development Rights"), all of which, however, are hereby assigned and reserved to and shall inure to the benefit of the owner of Commercial Unit 2, which Development Rights may be utilized by the owner of Commercial Unit 2 or any other party acquiring the same from the owner of Commercial Unit 2 (the "Development Rights Purchaser") and merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "ZLDA"). The owner of Commercial Unit 2 has the sole right to transfer or sell such Development Rights, provided, they will not be used to increase the volume of the Buildings nor will be transferred to an entity where they would be used to impact the light and air appurtenant to the Buildings or the economics of the Building. At this time there are no unused excess air rights. None of the Unit Owners (other than the owner of Commercial Unit 2) or the Condominium Board will have any interest in the rents, profits or revenues from the sale or use of any of the Development Rights.

1.2 By-Laws. Annexed to this Declaration as Schedule C and made a part hereof are the by-laws of THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET 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 in accordance with the

provisions hereof and thereof governing amendments, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to such terms in the By-Laws.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land described in Schedule A annexed hereto and made a part hereof (the "Land"), situate, lying and being in the City, County and State of New York. The Land is owned, as of the date hereof, by Sponsor in fee simple absolute and has an area of approximately 15,832 square feet.

ARTICLE 3

THE PROPERTY

3.1 Included in the Property described in Article 1 is a building (the "Building") containing, in addition to lobbies, hallways, corridors and other service, utility and mechanical areas: (i) 167 residential units (collectively, the " Residential Units" and individually, a "Residential Unit"), located on the Floors 10 through PH5 of the Building, and (ii) 5 Commercial Units (the "Commercial Units"), designated as the Commercial Unit 1 (comprised of portions of the Cellar), the Commercial Unit 2 (comprised of a portion of the First Floor), the Commercial Unit 3 (comprised of a portion of the First Floor), the Commercial Unit 4 (comprised of a portion of the Second and Third Floors), and the Commercial Unit 5 (comprised of Floors 4 through 7).

3.1.1 The owner of a Residential Unit is herein called a "Residential Unit Owner" and the owners of all Residential Units are herein collectively called the "Residential Unit Owners".

3.1.2 The owner of a Commercial Unit is herein called a "Commercial Unit Owner" and the owners of all Commercial Units are herein collectively called the "Commercial Unit Owners."

3.1.3 The Residential Units and the Commercial Units are sometimes hereinafter referred to as the "Units" and individually as a "Unit."

3.2 The street address of the Property is 40 Broad Street, New York, New York 10004.

ARTICLE 4

THE BUILDING

The Building is classified as being of fireproof construction and is constructed of a combination of poured-in-place reinforced concrete and solid brick foundations, foundation

walls, frames and slabs, with exterior walls of precast concrete panels and brick or terra cotta or block back-up in same locations, and roofs consisting of insulated roof membrane assemblies. After renovation, the Building will have 30 stories above-ground, utility service mechanical rooms, and one story below ground.

ARTICLE 5

THE UNITS

5.1 The location of each Unit is shown on and is governed by the floor plans of the Building certified by Avinash K. Malhotra Architects (as the same may be amended from time to time, the "Floor Plans") intended to be filed in the New York County office of the Register of the City of New York (the "City Register's Office") simultaneously with the recording of this Declaration . Schedule B annexed hereto and made a part hereof sets forth the following supplementary data with respect to each Unit necessary for the further proper identification thereof: Unit designation; tax lot number; direction in which each Unit faces; approximate square foot area; number of rooms in the residential areas; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access; and the proportionate undivided interest in fee simple absolute (expressed as a percentage) in the Common Elements (the "Common Interest") appurtenant to such Unit.

5.2 Each Unit includes all plumbing, air conditioning and heating fixtures and equipment, including, without limitation, perimeter heating enclosures, ventilating equipment, exhaust fans, domestic hot water heating equipment, air conditioning units, and other fixtures and appliances as may be affixed, attached or appurtenant to such Unit. Plumbing and heating fixtures and equipment as used in the preceding sentence shall include, without limitation, exposed water pipes attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under any floor, but shall not include water or other pipes, conduits, wiring or ductwork within the walls, ceiling or floors or mechanical systems that are described as General Common Elements or Residential Units Limited Common Elements. Each Unit shall also include the window frames, all lighting and electrical fixtures and appliances within the Unit and any special equipment, fixtures or facilities (including, without limitation, elevators and their shafts, pits, slab openings, overruns and mechanical rooms) affixed, attached or appurtenant to the Unit to the extent located within a Unit and serving or benefiting only that Unit.

ARTICLE 6

DIMENSIONS OF UNITS

The approximate square foot area of each Unit is measured horizontally on each floor from the exterior side of the glass or the exterior walls, at the Building line and/or Property line to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements. Columns and mechanical pipes (whether along the perimeter or within the Unit) are not deducted from the

square foot area of the Units. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. The method of measurement is applicable to all Units.

ARTICLE 7

COMMON ELEMENTS

7.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all facilities[1] located or contained therein for the common use of the Units and the Unit Owners (except for the Residential Limited Common Elements, as described below) or which are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements are comprised of the General Common Elements and the Residential Limited Common Elements, all of which are described in Sections 7.2 and 7.3 of this Article 7, respectively, subject in all events however to any specific designation for any portion of the Property as may be reflected on the Floor Plans (whether or not consistent with the general descriptions contained in this Article).

7.2 The General Common Elements include those portions of the Building that are designated as "General Common Elements" on the Floor Plans and, to the extent not specifically identified as part of the General Common Elements on the Floor Plans, all other parts of the Property (other than those areas and items specifically identified as part of a Unit and/or the Limited Common Elements) the common use of which is necessary or convenient for the existence, maintenance, operation or safety of the Property. More specifically, the General Common Elements consist of the following (whether or not covered by the preceding sentence):

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[1] As used herein, the words "facility" and "facilities" include, but are not limited to, the following fixtures, apparatus, equipment, personalty, appurtenances, installations, systems and other items (grouped more or less functionally) which are set forth only for the purpose of illustrating the broad scope of those terms: convector, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, induction unit, fan coil unit, motor, pump, control, tank or tank assembly, 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, soffit, pipe, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, incinerator, canopy, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, carpeting, tile, marble or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other plantings.

7.2.1 The Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in this Declaration).

7.2.2 All structural elements, foundations, foundation walls, main roof, footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings.

7.2.3 All structures on the roof, including without limitation, the cooling towers including the structure provided for the cooling towers.

7.2.4 All halls, passages and corridors, storage rooms, housekeeping areas, mechanical and other rooms, all fire staircases, landings, lobbies and stairs, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building, serving or benefiting all or any combination of the Residential Units and Commercial Units.

7.2.5 Hot water, chiller and condenser water systems.

7.2.6 All enclosing walls and doors and all mechanical equipment and associated piping and controls and all utilities and mechanical and electrical transfers and equipment serving or benefiting all or any combination of the Residential Units and Commercial Units.

7.2.7 All electrical risers, feeders, lines and equipment, including incoming service, emergency generator, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards, excluding, however, all such items located within a Unit and serving only that Unit.

7.2.8 All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water and chilled water (including pumps, valves, pressure reducers, meters and water heaters and chillers), excluding, however, all such items located within a Unit and serving only that Unit.

7.2.9 All fire protection equipment for distribution of sprinkler and standpipe systems, including the water storage tank and the structure provided therefor.

7.2.10 All storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit.

7.2.11 All steam rooms, electric service rooms, gas and water meter rooms, generator rooms, building storage rooms, washrooms, locker rooms, telephone rooms and other service, mechanical and utility rooms serving or benefiting all or any combination of the Residential Units and Commercial Units.

7.2.12 All service elevators which are for the use of all or a combination of the Residential Units and Commercial Units, in each case including the shafts, elevator equipment, elevator pits, and entrances and appurtenant facilities.

7.2.13 All other parts, systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all or any combination of the Residential Units and Commercial Units.

7.2.14 All other parts of the Property either existing for the common use of all or any combination of the Residential Units and Commercial Units or that serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Property or all or any combination of the Residential Units and Commercial Units.

7.2.15 All elevator pit/runbys, compactor room, uniform room, workshops, maintenance storage, maintenance offices, locker rooms, engine room, pump room, electrical vault and all mechanical equipment serving same.

7.2.16 All loading/receiving areas, elevators and lobby, egress stairs and corridors and all associated mechanical equipment serving same; and the exterior space at the Building entries consisting of any stairs, railings, lighting and other electrical equipment, marquees and ornamental fixtures, planters and other freestanding structures; excluding, in all instances, such of these as only serve the Residential Units or the Commercial Unit Owners.

7.2.17 With respect to the Cellar, First Floor and Floor PH5, enclosing walls and doors and all mechanical equipment servicing same; all utilities and mechanical and electrical transfers and equipment used for all or any combination of the Residential and Commercial Units.

7.2.18 With respect to the rooftop, egress stairs serving same.

7.2.19 Smoke detection alarm system;

7.2.20 Any Building storage rooms, locker rooms, telephone rooms and other service, mechanical and utility rooms serving or benefiting only the Residential Units;

7.2.21 All security monitors and equipment and other security facilities serving or benefiting all or any combination of the Residential and Commercial Units.

7.2.22 The public areas located on the First Floor.

7.2.23 Whether or not specifically identified as part of the General Common Elements (or identified at all) on the Floor Plans, all other parts of the Property and all Equipment existing in the Building or on the Property (other than those areas and items specifically identified on the Floor Plans as part of a Unit and/or Residential Limited Common Elements) the common use of and/or benefit from which is necessary or convenient for the existence, maintenance, operation or safety of the Property.

7.3 The Residential Limited Common Elements consist of those portions of the Property designated on the Floor Plans as Residential Limited Common Elements; and also those Common Elements (other than vertical shaftways and penetrations) which exclusively serve or exclusively benefit all or a combination of the Residential Units and the Residential Unit

Owners, whether or not designated as Residential Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Residential Limited Common Elements include, without limitation, the following:

7.3.1 To the extent shown on the Floor Plans as Residential Limited Common Elements, the residential lobby and entrances, elevators, service entrance and accessway to service elevators, all located on the First Floor at Broad Street and New Street;

7.3.2 Any elevators serving the Residential Units which are shown on the Floor Plans as Residential Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements) and excluding those passenger and service elevators (together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors and control equipment in connection therewith) which serve the Residential Units but which are shown on the Floor Plans as a Common Element (but not an Residential Limited Common Element) or as part of a Unit; the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of floors of the Building constituting the Residential Units and/or on which the Residential Units are located, whether or not specifically identified on the Floor Plans as part of the Residential Limited Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit;

7.3.3 Those stairs and stairways in the Building shown on the Floor Plans as Residential Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

7.3.4 All other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits all or a combination of the Residential Units or the Residential Unit Owners;

7.3.5 Those portions of the various systems of the Building from and after the point at which such systems are no longer part of the Building facility or facilities, by virtue of their exclusive service, beyond such point, to the Residential Section;

7.3.6 Those residential amenity areas, including the terrace located on Floor 10 and on PH6; and

7.3.7 Ventilation supply system consisting of pumps, motors, ductwork, fans and controls, steam and condensate return piping, serving or benefiting all or any combination of the Residential Units.

ARTICLE 8

USE OF UNITS AND COMMON AREA

8.1 Use of the Residential Units.

8.1.1 General. As more particularly set forth and described in the By-Laws, except as otherwise herein and in the By-Law expressly provided, A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Residential Unit may only be occupied by: (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations. An "Occupancy Plan" means a program, plan, agreement or other arrangement for the use, occupancy, marketing, advertising or promotion of one or more Residential Units under short-term, timeshare, fractional or shared ownership, interval exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans or arrangements through which a participant in the plan or arrangement acquires a direct or indirect ownership interest in the Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s).

8.1.2 Unsold Residential Units. Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Sponsor (and its designees) may, without the permission of the Board or any other Person use or grant permission for the use of any Unsold Residential Unit for any lawful purpose, including, but not limited to, the use of any Unsold Residential Units as models and sales and/or promotion offices in connection with the sale or rental of the Residential (or other) Units or for any other purpose, subject only to compliance with applicable Laws. As used in the Condominium Documents, "Unsold Residential Unit" refers to any Residential Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or the Residential Sponsor or any of their respective designees as the holder of one or more Unsold Residential Unit(s); any Residential Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of its

principals is a member; or a Residential Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Sponsor or the designee of a holder of such a Permitted Mortgage.

8.2 Notwithstanding the foregoing or anything contained herein, in the By-Laws or the Rules and Regulations to the contrary, Sponsor or its designee may, without the permission of the Board use or grant permission for the use of any Unsold Residential Unit (as hereinafter defined) for any purpose, including, but not limited to, the use of any Unsold Residential Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations as to any such use.

8.3 The Commercial Units may be used, occupied and operated for any legally permitted purpose, including, without limitation, retail, restaurant, banquet, banking, commercial, public event, office, hotel, residential or transient use, fractional or club ownership, storage, garage, and utility purposes. However, notwithstanding the foregoing, no part of any Commercial Unit shall be used for any of the following uses: (a) the repair, servicing or maintenance of any vehicles, machinery or equipment or the operation of an "automobile repair shop"; (b) funeral parlor; (c) massage parlor or sex club or for the sale or display of pornographic or obscene material; or (d) for any obscene or pornographic purpose or any other commercial sex establishment. A Commercial Unit Owner shall not at any time use or occupy, or suffer or permit anyone to use or occupy its Commercial Unit, or do or permit anything to be done in its Commercial Unit in violation of the certificate of occupancy for its Commercial Unit or for the Building. If any governmental license or permit, other than a certificate of occupancy, shall at any time be required for the proper and lawful conduct of business in a Commercial Unit then being conducted or to be conducted in that Commercial Unit or any portion thereof, then the subject Commercial Unit Owner, at it's own expense, shall duly procure and thereafter maintain such license or permit. Each Commercial Unit Owner shall take all commercially reasonable measures to ensure that no excessive noise emanates from its Commercial Unit.

8.4 In addition, without limiting the foregoing, the owner(s) of the Commercial Units shall have the right to subdivide and/or combine the Commercial Units to create additional Commercial Units and to amend the Declaration and Floor Plans as may be necessary in connection therewith. No income derived from any use of the Commercial Units will constitute income to the Board or any other Unit Owner.

8.5 (a) Except as otherwise provided in the By-laws: (i) the 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; and (ii) Terraces may be used only for purposes commensurate with the uses permitted of the Units to which they are appurtenant.

(b) Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the occupants of the Units and their respective invitees, to use the same.

8.6 No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-Laws or this Declaration to maintain or repair such portion of the Property.

ARTICLE 9

CHANGES IN UNSOLD RESIDENTIAL UNITS

9.1 Unsold Residential Units. Notwithstanding anything to the contrary in Section 6.7 of the By-Laws ("Alterations of Units"), except to the extent prohibited by, or to the extent that the same will cause the Property or any portion thereof not to comply with, any applicable Laws, Sponsor and any other owner of an Unsold Residential Unit shall have the right, at any time and from time to time, without the vote or consent of the Board, any Unit Owner or other Person, to: (a) make alterations, additions, improvements, replacements and/or repairs whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon its Unsold Residential Unit(s); (b) change the use (subject to compliance with all Laws, including, without limitation, the certificate of occupancy for such Unit) or layout of, or number of rooms in, any Unsold Residential Unit(s) from time to time; (c) change the size and/or number of Unsold Residential Unit(s) by subdividing one or more Unsold Residential Units into two or more separate Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Units, converting an Unsold Residential Unit or any portion thereof to a Common Element, altering the boundary walls between any Unsold Residential Units, or otherwise, including incorporating the use of any portion of the Residential Limited Common Elements adjacent or appurtenant thereto (but only to the extent that such Residential Limited Common Elements are not required to be maintained as Residential Limited Common Elements based upon such alterations); (d) whether in respect of subdivisions or combinations of the Unsold Residential Units or otherwise, designate all or any part of an Unsold Residential Unit or a Common Element as part of a newly created or expanded Unsold Residential Unit or Common Element; and (e) if appropriate, reapportion among the Units affected by such change in size, use or number pursuant to the preceding clauses (b), (c) and (d) their percentage interests in the Common Elements; provided, however, that: (i) such changes are in compliance with Section 339 of the New York Condominium Act; (ii) the Common Interest of any other Units (other than the Unsold Residential Units (or other Units) owned by such person) shall not be changed by reason thereof unless the owners of such other Units shall consent thereto; and (iii) Sponsor or such other owner of an Unsold Residential Unit, as the case may be, shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to defend and hold the Board and all other Unit Owners harmless from any liability arising therefrom. Sponsor or such other owner of an Unsold Residential Unit, as the case may be, shall have the right, without the consent of the Board, any Unit Owner or other Person to amend (and/or cause the Board to amend) the Declaration, the By-Laws and the Floor Plans and any other documentation to reflect the foregoing changes.

9.2 Residential Units Generally. Subject to this Declaration (including, without limitation, Section 9.4 below) and the By-Laws, the Unit Owner(s) of one or more Residential Units (other than Unsold Residential Units), with the express written consent of the Board, which consent may be granted or withheld for any reason in such Board's sole discretion, may be given, with respect to its Residential Unit(s), the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Residential Units, including, without limitation, the right to change, combine, subdivide and/or otherwise reconfigure two or more adjacent Residential Units owned by such Unit Owner.

9.3 Consents. Subject to the immediately succeeding sentence, the provisions of Sections 9.1, 9.3 and 9.4 of this Declaration may not be added to, amended, modified or deleted without the prior written consent of Sponsor any other owner of an Unsold Residential Unit. Wherever the consent, approval or satisfaction of Sponsor (as the owner of any Unsold Residential Unit(s)) or the owner of any Unsold Residential Unit(s) is required under this Declaration or the By-Laws, such consent, approval or satisfaction of such party shall not be required when such party no longer owns any Unsold Residential Units.

9.4 Certification Regarding Common Interest Reallocation. Notwithstanding the other provisions of this Article 9, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Board a written certification stating, in each case with respect to the Unit(s) in question that the percentage interests of the affected Unit(s) in the Common Elements, immediately after such reapportionment, are consistent with the terms of this Declaration and in compliance with the terms of Section 339-i(1) of the Condominium Act. The certification referred to herein shall be delivered: (a) in the case of any Unsold Residential Unit(s), at the election of Sponsor, by Sponsor, the managing agent of the Condominium or any other Person reasonably acceptable to the Board; and (b) in the case of any other Unit(s) by the managing agent of the Condominium or any other person reasonably acceptable to the Board.

ARTICLE 10

CHANGES BY COMMERCIAL UNIT OWNERS

10.1 General. Except to the extent prohibited by Law or as otherwise provided herein or in the By-Laws, each Commercial Unit Owner shall have the right, without the vote or consent of the Board or any other Person to: (a) mortgage or otherwise hypothecate its Unit; (b) decorate or make alterations, additions or improvements, and repairs or replacements, in, to and upon its Unit (provided, however, that such Commercial Unit Owner, if other than Sponsor or its designee, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld, to any alterations, additions or improvements, and repairs or replacements, to its Commercial Unit which would have a material adverse effect on the structural, mechanical, electrical or plumbing elements of the Building or the exterior appearance of the Building or which would increase insurance premiums or maintenance costs for any other Unit or the Common Elements); (c) change the layout of, or number of rooms in, its Commercial Unit from time to time; (d) change the size of its Commercial Unit by subdividing the same into any desired number of condominium units or by combining any units resulting from each such subdivision, altering the boundary walls between its Commercial Units, or otherwise; (e)

designate its Commercial Unit as part of a newly created or expanded commercial condominium unit or designate all or part of its Commercial Unit as a newly created or expanded commercial common element; and (f) if appropriate, reapportion among the Units or newly created Units affected by such changes pursuant to the preceding clauses (c), (d) and (e) their percentage interests in the Common Elements; provided, however, that: (i) such changes are in compliance with Section 339 of the New York Condominium Act; (ii) the Common Interest of any other Units (other than the Commercial Unit(s) owned by such Person) shall not be changed by reason thereof unless the owners of such other Units shall consent thereto; and (iii) the Commercial Unit Owner(s) in question shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to defend and hold the Board and all other Unit Owner harmless from any liability arising therefrom. Each Commercial Unit Owner shall have the right with regard to its Unit, without the consent of the Board, any Unit Owner or other Person to amend (and/or cause the Board to amend) the Declaration, the By-Laws and the Floor Plans and any other documentation to reflect the foregoing changes. If a Commercial Unit is subdivided or combined, the Owner of each Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Board or other Unit Owners) set forth above in this Section 10.1, described as pertaining to the Unit Owner of the Commercial Unit or Units in question.

10.2 Certification Regarding Common Interest Reallocation. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Commercial Unit(s) shall be made unless there is first delivered to the Board a written certification stating, in each case with respect to the Unit(s) in question, that the percentage interests of the affected Unit(s) in the Common Elements, immediately after such reapportionment, are consistent with the terms of this Declaration and in compliance with the terms of Section 339-i(1) of the Condominium Act. The certification referred to herein shall be executed and delivered by all of the affected Commercial Unit Owners or any other Person reasonably acceptable to the Board.

ARTICLE 11

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York (the "Secretary of State") is hereby designated to receive service of process in any action which may be brought against the Condominium or the Board. The Condominium and the Board shall each notify the Secretary of State of the address to which a copy of any process received should be mailed.

ARTICLE 12

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, subject to the location of such space and the additional factors of relative value to other

space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The aggregate Common Interests of all of the Units equals 100%.

ARTICLE 13

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 encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent (when required by the By-Laws), of the Board, or made by Sponsor or its designee, as the case may be, 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 (or during any period in which it is being rebuilt or restored, in accordance with the By-Laws, following any such fire or other casualty, taking or eminent domain proceeding); provided that in the case of any such encroachment described in subparagraph c (ii) or (iii) above, such encroachment does not unreasonably interfere with the use of any of the Units for their permitted purposes and/or the use of the Common Elements for their intended purposes.

ARTICLE 14

FACILITIES AND ALL OTHER COMMON ELEMENTS

Except as may otherwise be expressly set forth herein or in the By-Laws, each Unit Owner shall have, and is hereby granted, in common with all other Unit Owners, an easement to use any and all General Common Elements located anywhere on the Property without hindering the exercise of or encroaching upon the rights of the other Unit Owners in respect of such easement, including, but not limited to, such easement as will be necessary to maintain, such Unit Owner's Unit.

Each Residential Unit Owner will have, in common with all other Residential Unit Owners, an easement for the use of the Residential Limited Common Elements and any facilities located therein, including, but not limited to, such easement as will be necessary to operate and maintain as necessary, such Residential Unit Owner's Unit, and the Board, on behalf of all Residential Unit Owners, shall have an easement to maintain, and to make Repairs and Alterations to, the Residential Limited Common Elements.

Each Residential Unit Owner will have, in common with all other Residential Unit owners, an easement for the use of the Residential Limited Common elements and any facilities located therein, including, but not limited to, such easement as will be necessary to operate and maintain such Residential Unit Owner's Unit, and the Board, on behalf of all

Residential Unit owners, shall have an easement to maintain, and to make Repairs and Alterations to, the Residential Limited Common Elements.

Each Unit, including without limitation any Terrace appurtenant to a Unit, shall be subject to an easement in favor of the Board, on behalf of all Unit Owners, to use, operate, maintain, repair, alter, rebuild, restore and replace all Common Elements located in such Unit or elsewhere on the Property. In addition, Sponsor (or its designee) and the Board shall have the right to erect scaffolding on or upon any of the Terraces for a temporary period of time in connection with maintenance and repairs of the Building and its Common Elements. The Board and any managing agent, manager and other persons authorized by the Board shall have a right of access to each Unit and any Residential Limited Common Element appurtenant to such Unit, whether exclusive or not, (and such is hereby granted) to inspect the same or remove violations of governmental laws or regulations against any part of the Property; to cure defaults by the owner of such Unit under the By-Laws, this Declaration or the Rules of Regulations; to perform maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical systems or other portions of the Common Elements (including, without limitation, all Limited Common Elements) contained therein or elsewhere in the Property; or correcting any conditions originating in any Unit and threatening another Unit or any Common Element; provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of any "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

ARTICLE 15

EASEMENTS

15.1 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the 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 the Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of the Residential Units or Storage Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

15.2 Each Residential Unit Owner of a Unit with a Terrace appurtenant thereto shall have an easement for the exclusive use of such Terrace, which use shall be subject to the terms and conditions of this Declaration and the By-Laws. Each Terrace (and the Unit to which such Terrace is appurtenant) shall be subject to the easement(s) in favor of Sponsor and the Board as set forth herein.

15.3 Each Unit Owner shall have, to the extent reasonably necessary, in common with all other Unit Owners, an easement for ingress and egress to and from its Unit, and, to the extent reasonably necessary, for the use of any Common Element (excluding all Limited Common Elements). The Units shall each be subject to such easement.

15.4 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the 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, the General Common Elements or any Residential Limited Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

15.5 Each Unit and the Common Elements shall have easements of subjacency, support and necessity, and the same shall be subject to such easements in favor of all the other Units and the Common Elements.

15.6 Each Unit Owner (except as otherwise set forth below) grants an easement over its Unit and the Common Elements (including, without limitation, its appurtenant Limited Common Elements), and the Board grants an easement over and through the General Common Elements: (a) in the case of the Unit Owners, to the Board for the purpose of (and to the extent reasonably necessary for) maintaining, Repairing, Altering, preventing or minimizing damage to and causing to be in compliance with Laws and Insurance Requirements such granting Unit Owner's Unit, and the Limited Common Elements, if any, appurtenant to its Unit; (b) in the case of the Board and the Unit Owners, to each Unit Owner, in common with each other Unit Owner, for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) maintaining, Repairing, Altering, preventing or minimizing damage to and causing to be in compliance with Laws and Insurance Requirements any portions of the grantee Unit Owner's Unit and its appurtenant Limited Common Elements; (c) to each Unit Owner, and to the Board, in common with each other, for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) installing, allowing to remain (and using for their respective intended purposes), maintaining, Repairing, Altering, preventing or minimizing damage to and causing to be in compliance with Laws and Insurance Requirements any Common Elements or other facilities located in or only readily accessible through such granting Unit Owner's Unit or Limited Common Elements, if any, which serve other Units (including, without limitation, reading, maintaining or replacing utility meters relating to the Common Elements, such Unit or any other Unit in the Building); (d) to the Board (only to the extent permitted under the other provisions of the Condominium Documents) for the purpose of (and to the extent reasonably necessary for) preventing or minimizing damage to such Unit or to any other portion of the Property; (e) to the Board for the purpose of (and only to the extent reasonably necessary for) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the

Property; and/or (f) to the Board for the purpose of (and only to the extent reasonably necessary for) curing defaults hereunder or under the By-Laws, or correcting any conditions originating in such Unit Owner's Unit or Limited Common Elements and threatening the health, safety and welfare of the occupants of, or the property located within, another Unit or all or any part of the Common Elements.

15.7 Sponsor (or its designee) and the Board with respect to the Property and the Commercial Unit Owners with respect to their respective Commercial Units, shall each have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements in any portion of the Property or the Commercial Units, as the case may be, as Sponsor (or its designee) or the Board, or the Commercial Unit Owners, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building, or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of any of the other Units for their permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of any of the other Units for their permitted purposes.

15.8 Sponsor (or its designee) and its successors and assigns, shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs, canopies, flags or awnings or other protrusions on the Property, including without limitation, on the exterior of the walls of the Building, for the purposes of advertising the sale or lease of any Unsold Residential Unit, the sale or lease of all or any portion of the Commercial Unit(s), and/or the operation of any business of a tenant or occupant of all or any portion of any Commercial Unit or of any Unsold Residential Units, as the case may be. In addition, Sponsor and its designee(s) shall have the right, until the tenth anniversary of the First Closing, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Residential Units) or otherwise.

15.9 The Board, Sponsor and Sponsor's designee will each have an easement to install and maintain pipes, conduits, wires, ducts and other facilities in the space between the underside of each such floor slab and the top surface of each unit's finished ceiling, without any need to obtain the consent of any Unit Owner with respect to the same.

15.10 Each easement and other right granted under this Article 15 shall be deemed to permit the benefited party's/ies' contractors, subcontractors, agents, representatives, Occupants, employees and other designees (and, in the case of a grant to the Board, the Managing Agent), to use such easement or other right, as applicable, if such Unit Owner so elects.

15.11 Any grant of an easement "on", "over", "across" or "through" a given area shall be deemed to mean "on, over, across, through, and upon" such area, unless the context otherwise requires.

15.12 The Commercial Unit Owners or their designees (and their respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, license, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of the roof of the Building that is not occupied as of the date hereof for any other Building installations; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the board or any other Unit Owners; provided, however, that the Commercial Unit Owners or their designees (and their respective heirs and assigns) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of the Commercial Unit Owners under any lease, license or other right of use granted by the owner of the Commercial Unit Owners with respect to the roof or the aforesaid mechanical equipment room shall be the obligation solely of the owner of the Commercial Unit Owners and not of the Condominium and any rights of the Commercial Unit Owners, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of the owner the Commercial Unit Owners and not of the Condominium. In connection with such easements and related rights, the owner of the Commercial Unit Owners and their designees (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Residential Units and the Commercial Units shall each be subject to such easement. The word "utility" or "utilities" as used in this Section 15.11 shall be deemed to include fiber optic cable and other communications liens, wires, cables and conduits.

15.13 Sponsor and its designee(s) shall have the right, until the tenth anniversary of the First Closing, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Residential Units) or otherwise.

15.14 Except as may otherwise be set forth in this Declaration, any easement created or granted hereunder shall be perpetual and irrevocable for so long as the Condominium shall remain in existence.

ARTICLE 16

POWER OF ATTORNEY TO THE BOARD

16.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Board, an irrevocable power of attorney, coupled with an interest (in such form

and content as the Board shall determine): (a) to acquire or lease on behalf of all Unit Owners any Unit, together with its Appurtenant Interests (as hereinafter defined), from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as shall be approved by the Board in its reasonable discretion; (b) to acquire on behalf of all Unit Owners any Unit, together with its Appurtenant Interests, whose Owner elects to surrender the same to the Condominium Board; (c) to acquire on behalf of all Unit Owners any Unit, together with its Appurtenant Interest, for the use and occupancy of a superintendent or resident building manager; (d) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale or to enforce the Board's lien for unpaid common charges, 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 Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine; and (e) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium which the 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 or any other public authority applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Board, in its reasonable discretion, deems necessary or appropriate.

16.2 Each Unit Owner shall grant to Declarant a power of attorney to amend this Declaration and to effectuate the rights granted to Declarant under this Declaration and the By-Laws and the Offering Plan and to consent on behalf of each Unit Owner, as a party in interest, to any declaration of zoning lot restrictions, waiver, ZLDA or other agreement or application 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 acquiring by Declarant, Commercial Unit 2 Owner or Development Rights Purchaser, and/or their respective successors or assigns, all or any portion of the Development Rights.

ARTICLE 17

ACQUISITIONS OF UNITS BY THE BOARD

17.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the 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 the Common Elements and 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 New York Condominium Act; (b) the Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with its Appurtenant Interests; or (c) the Board purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, then, in any such event, title to any such Unit, together with its Appurtenant Interests, shall be held by the Board or its designee, on

behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations (true copies of which are annexed hereto and made a part hereof), including, without limitation, the provisions of this Article 18 and of any Rules and Regulations as may be adopted and amended from time to time, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Unit Owners of all or any part thereof, or interest therein, and their heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

18.2 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 New York 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 New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York 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 New York Condominium Act.

18.3 Subject to the provisions of Section 18.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York 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 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.

18.4 Notwithstanding anything in Section 18.1, however, at the request of any of any Commercial Unit Owner made from time to time, the Board shall, at the sole cost and expense of the requesting Commercial Unit Owner, execute and deliver a non-disturbance agreement (in such form as may be reasonably proposed by the requesting Unit Owner and reasonably acceptable to the Board to any occupant of such Commercial Unit Owner's Unit.

ARTICLE 19

AMENDMENTS OF DECLARATION

Article 13 of the By-Laws is incorporated herein in its entirety; and, except as otherwise expressly set forth herein, the provisions thereof shall govern the amendment and/or modification of, addition to and/or deletion of any of the provisions of this Declaration.

ARTICLE 20

TERMINATION OF CONDOMINIUM

20.1 The Condominium shall continue and the Property shall not be subject to an action for partition until: (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws; or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least 80% both in number and aggregate of the Common Interests 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 a majority of the Mortgage Representatives, if any; and (b) without the written consent of Sponsor or any other owner of Unsold Residential Units for so long as any such Person owns any Unsold Residential Unit(s), provided that in no event shall any such consents in this clause (b) be required more than five years after the earlier to occur of the First Closing.

20.2 To the fullest extent permissible under the law, each Unit Owner shall be deemed to have waived any right to seek partition of the Property. In the event said withdrawal is authorized as aforesaid, and only to the extent the waiver contained in the preceding sentence shall be inapplicable or unenforceable, 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, together with the net proceeds of any applicable insurance policies, shall be divided among all

Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e. Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be selected by the Commercial Unit Member, and the third chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

ARTICLE 21

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 22

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 nor the intent of any provision hereof.

ARTICLE 23

CERTAIN REFERENCES

23.1 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.

23.2 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.

23.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 24

SEVERABILITY

Subject to the provisions of Sections 18.2 and 18.3, 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 enforceable to the fullest extent permitted by law.

ARTICLE 25

COVENANT OF FURTHER ASSURANCES

25.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party (or the holder of a lien on its Unit) requesting the same, execute, acknowledge and deliver to such other party (or the holder of a lien on its Unit) such instruments, in addition to those specifically provided for herein, and take such other action, as such other party (or the holder of a lien on its Unit) 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 Board and each Unit Owner shall be required, upon the request of Declarant, Commercial Unit 2 Owner 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, any ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

25.2 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which such Unit Owner or party is required to take pursuant to his Declaration and such failure continues for an additional ten (10) day period following receipt of a second written request therefor (together with written advice that the requesting party shall be entitled to take action upon the recipient's failure or refusal to perform) then the Board is hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

25.3 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which the Board, Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration at the request of Sponsor, then Sponsor 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 26

NAME OF CONDOMINIUM AND BUILDING

26.1 The Condominium and the Building shall be designated and known as "The Setai Condominium Residences at 40 Broad Street." Sponsor (or its designee) shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and/or the Building. Only Sponsor (or its designee) shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Sponsor shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Sponsor (or its affiliate(s)) as the sponsor of the Condominium and/or development of the Property, together with such other information as Sponsor (or its designee) determines in its sole discretion.

26.2 Notwithstanding the foregoing, however, but subject to the rights of Sponsor, if any Commercial Unit Owner operates under an identifying name, it shall be free to use whatever name such Commercial Unit Owner designates for its Unit in its press releases or publicly distributed materials or permitted signage.

ARTICLE 27

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the consent of Sponsor or its designee, any transferee of some or all then Unsold Residential Units. The rights and/or obligations of each Commercial Unit Owner as set forth herein shall inure to the benefit of and be binding upon any successor or assign of such Commercial Unit Owner. Subject to the foregoing, Sponsor or its designee, and/or any Commercial Unit Owner, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by merger, consolidation, sale, lease, assignment or otherwise. The rights and/or obligations of the Unit Owners or their designees as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of such Unit Owners or their designee(s).

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ____ day of _____, 200__.

40 BROAD LLC

By: _____

State of New York)
) ss.:
County of New York)

On the _____ day of _____ in the year 200__ before me, the undersigned, 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.

_____
(Signature and office of individual taking acknowledgment)

SCHEDULE A TO DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, more particularly bounded and described as follows:

BEGINNING at a point in the easterly line of New Street, distant 87 feet 11 5/8 inches southerly from the corner formed by the intersection of the southerly line of Exchange Place with the easterly line of New Street;

RUNNING THENCE easterly along a line forming an angle of 79 degrees 52 minutes 50 seconds on its southerly side with the easterly line of New Street, said line being along the southerly face of the southerly wall of the building on premises adjoining to the north, 43 feet 4 3/8 inches;

THENCE still easterly along a line forming an angle of 179 degrees 20 minutes 05 seconds on its northerly side with the preceding course, said line being along the southerly face of the southerly wall of the building on premises adjoining to the north, 102 feet 7½ inches to the westerly line of Broad Street;

THENCE southerly along the westerly line of Broad Street, 40 feet 6¼ inches to an angle point therein;

THENCE still southerly along the westerly line of Broad Street forming an angle of 183 degrees 02 minutes 25 seconds on its westerly side with the preceding course, 41 feet 5¼ inches;

THENCE westerly along a line forming an angle of 89 degrees 51 minutes 10 seconds on its northerly side with the preceding course and through an old party wall, 84 feet 5¼ inches;

THENCE still westerly along a line forming an angle of 186 degrees 20 minutes 40 seconds on its southerly side with the preceding course and part of the way through said old party wall, 74 feet 3½ inches to easterly line of New Street; and

THENCE northerly along the easterly line of New Street, 126 feet 4 7/8 inches to the point or place of BEGINNING.

TOGETHER WITH the benefits of that certain Air Shaft Agreement made by and among Broad Street Realty, Inc., as former owner of the Land, Dixon International Holdings (U.S.A.), Inc., and Tulabro Realty Corporation N.V. and Carlyle Real Estate Limited Partnership XI, dated May 25, 1982, recorded June 3, 1982 in Reel 624 page 1610, as modified by Modification of Air Shaft Agreement made by and among Broad Street Realty, Inc., Dixon International Holdings (U.S.A.), Inc., and Tulabro Realty Corporation N.V. and Mazal American Partners, dated as of September 12, 1985, recorded October 22, 1985 in Reel 974 page 1715.

SCHEDULE B

DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF 40 BROAD STREET, NEW YORK, NEW YORK

DESCRIPTION OF UNITS

Unit	Number of Rooms and Baths	Approx. Total Area	% Interest in Common Elements (Common Interest)	Tax Lot No.	Location (in Portion of Building Facing in Direction set forth below)	Common Elements to Which Unit Has Immediate Access

KL3 2482706.15

EXHIBIT 8

CONDOMINIUM BY-LAWS

BY-LAWS

OF

THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

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BY-LAWS

OF

THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these by-laws (the "By-Laws") is to set forth the rules and procedures concerning the conduct of the affairs of The Setai Condominium Residences at 40 Broad Street (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 15,984 square feet of land (the "Land") which comprises a portion of Block 24, Lot 32, on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units, the Common Elements, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; the Condominium and these By-Laws shall be subject to the provisions of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration"), which has been recorded in the New York County office of the Register of the City of New York (the "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.

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 occupants of Units and their respective employees, invitees and guests, as well as all other persons who may use the facilities located on, or forming a part 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, sublease or license for, or the act of occupancy of, all or any portion of a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration, as the same may be amended from time to time, are accepted, ratified, and will be complied with.

1.3 Principal Office of the Condominium. The principal office of the Condominium shall be located either within the Property or at such other place in the Borough of Manhattan as may be designated from time to time by the Board (as hereinafter defined).

1.4 Classes of Units. The Units in the Condominium consist of 167 residential condominium units (the "Residential Units") and 5 commercial units (the "Commercial Units"). The Commercial Units consist of Commercial Unit 1 (comprised of portions of the Cellar), the Commercial Unit 2 (comprised of a portion of the First Floor), the Commercial Unit 3 (comprised of a portion of the First Floor), the Commercial Unit 4 (comprised of a portion of the Second and Third Floor), and the Commercial Unit 5 (comprised of Floors 4 through 7).

ARTICLE 2

BOARD OF MANAGERS

2.1 General Description of the Board.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Board"). From and after the First Annual Meeting of Unit Owners (as hereinafter defined), as provided in Section 3.1, the Board shall consist of seven persons elected by the Unit Owners.

2.1.2 Each member of the Board, except for the First Board (as hereinafter defined), as provided in Section 2.3 and except as otherwise provided herein, shall be elected at an annual meeting of the Unit Owners and shall serve until the expiration of their term in office on the third regularly scheduled annual meeting thereafter. Notwithstanding the expiration of the term of office of a member of the Board, each member shall serve until a successor for such member has been elected and qualified.

2.1.3 Except for any Member elected or designated by Sponsor or its designee, all members of the Board must be: (i) individual Unit Owners or Permitted Mortgagees (as hereinafter defined) of Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering a Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Units; (iv) members or employees of a limited liability company owning or holding a Permitted Mortgage; (v) fiduciaries or beneficiaries who are Unit Owners or Permitted Mortgagees of Units (or directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members (as defined in Section 8.7) or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner or a Permitted Mortgagee of a Unit. Other than Board members elected or designated by Sponsor or its designee, no Board member shall continue to serve after he or she ceases to be qualified as set forth above. As used herein, the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon in accordance with these By-Laws.

2.1.4 In no event shall any Unit Owner (or its proxy) or another interested party be eligible for election to the Board, and any such Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Unit Owner is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid. In addition, no member of the Board (or his or her proxy) may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

2.2 Powers and Duties of Board.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof (and in addition to all other powers and duties granted to the Board by law, the Declaration or these By-Laws), the Board shall be entitled to make determinations with respect to all matters relating to the operation and the affairs of the Condominium, including, without limitation, the following:

(a) Operation, care, upkeep, maintenance, repair, restoration, addition and improvement to, and alteration and replacement of the Common Elements, in the condition and otherwise in such a manner that maintains standards of quality, service and appearance which are appropriate for a luxury condominium.

(b) The amount of Common Charges and any assessments.

(c) Collection of Common Charges and any assessments from Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements, and the provision of the Building services.

(e) Adoption of, and amendments and additions to, the Rules and Regulations (as such term is hereinafter defined).

(f) Purchasing, leasing and otherwise acquiring, in the name of the Board or its designee, on behalf of all Unit Owners, those Units offered for sale or lease by, or Units surrendered by, the owners of such Units to the Board, or those Units with respect to which liens for real estate taxes are being sold.

(g) Purchasing Units at foreclosure or other similar sales (including, without limitation, in connection with the enforcement of the Board's lien for unpaid Common Charges), in the name of the Board or its designee, on behalf of all Unit Owners.

(h) Selling, leasing, mortgaging, refinancing and otherwise dealing with (but not voting the interests appurtenant to) Units acquired by, and subleasing Units leased by, the Board or its designee, on behalf of all Unit Owners.

(i) Making repairs, restorations, additions and improvement to, and alterations and replacements of, the Common Elements.

(j) Making repairs, restorations, additions and improvements to, and alterations and replacements of, the Property or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws.

(k) Enforcing obligations of Unit Owners.

(l) Levying fines against Unit Owners for violations of the Rules and Regulations (which fines shall constitute Common Charges payable by the Unit Owners against whom they are levied); provided, however, that no fine for any single infraction shall exceed $200 (but every day that an infraction continues shall be considered a separate infraction subject to fine).

(m) Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor.

(n) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith), if the loss is to be adjusted by the Board, as provided in Article 6 hereof.

(o) Borrowing money, at any time, on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the General Common Elements or Residential Limited Common Elements, respectively; provided, however, that: (A) except as provided in Section 8.6, the consent of at least 66-2/3% in common interest of all Unit Owners or all Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements or Residential Limited Common Elements, respectively, if such borrowings are in excess of the aggregate amount of $100,000 (subject to increase by the CPI Increase Factor) in any one fiscal year (regardless of the balance of loans outstanding from previous years) or $250,000 (subject to increase by the CPI Increase Factor) in the aggregate (including borrowings from prior periods); (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit; and (C) no Unit Owner other than the Residential Unit Owners shall be liable for the repayment of any such borrowing with respect to the Residential Limited Common Elements, and the loan documentation in either case shall so provide. In addition to the debt described above, the Board may, without approval of the Unit Owners, at any time, incur, or refinance, debt from time secured by a lien on the Resident Manager's Unit or any other Unit acquired by the Board pursuant to the Declaration and/or By-Laws; provided, however, that no such financing or refinancing 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 interest in the Common Elements, and provided further that no Unit Owner other than the Residential Unit Owners shall be liable for the repayment of any such borrowing with respect to the Resident Manager's Unit. If any sum borrowed by the Board pursuant to the authority contained in this subparagraph 2.2.2(o) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of either all Unit Owners or all Residential Unit Owners (depending on whether the borrowing was made on behalf of all Unit Owners or only the Residential Unit Owners, respectively), 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, and all loan documentation entered into by or on behalf of the Board shall specifically so provide. The dollar amounts set forth in clause (A) and (C) of this subsection 2.2.2(o), and all other dollar amounts referenced elsewhere in these By-laws, shall be adjusted to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor, provided, however, pursuant to subsection jj of Section 339 of the RPL, that the Board is authorized to incur any such debt described above provided that such debt is incurred no earlier than the fifth anniversary of the First Closing. 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.

(p) Organizing corporations, limited liability companies and/or other entities to act as designees of the Board with respect to such matters as the Board may determine, including, without limitation, in connection with the acquisition of title to, or the leasing or subleasing of, Units acquired or leased by the Board on behalf of the Unit Owners.

(q) Execution, acknowledgment and delivery of, without limitation: (i) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting the Property or the Condominium which the Board deems necessary or appropriate to comply with the Legal Requirements applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or the Condominium; or (ii) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting (x) the Property or the Condominium which the Board deems necessary or appropriate, or (y) a Unit, if the owner of such Unit requests, or under the Declaration or these By-Laws is required to request, that the Board take such action, and (except as otherwise provided in the Declaration or these By-Laws) the Board determines that taking such action is appropriate.

(r) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments, or in connection with any real estate tax exemption or abatement, with respect to: (i) all Residential Units for the benefit and on behalf of the Residential Unit Owners and (ii) the Commercial Units, for the benefit of the respective Owners thereof, but only to the extent requested and authorized to do so, in writing, by the respective Owners thereof; and provided, in each case, that all such Unit Owners indemnify the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

(s) Commencing, prosecuting and settling litigation.

(t) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Section 6.4.

(u) Imposition, increase, decrease or elimination of move-in fees and charges, and transfer fees payable to the Managing Agent and/or the Condominium, in connection with the sale or lease of a Residential Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon Sponsor or its designee or any Units bought, sold or leased by the Board.

(v) Establishing, changing and otherwise making determinations with respect to reserves, including, without limitation, a general operating reserve or a reserve for working capital or for replacements with respect to the Common Elements.

2.2.3 Except as otherwise provided in these Bylaws or in the Declaration, each Commercial Unit Owner shall be entitled to make determinations with respect to the following matters:

(a) Operation, care, upkeep, maintenance, repair and replacement of its Commercial Unit.

(b) Employment and dismissal of personnel necessary for the maintenance and operation of its Commercial Unit.

(c) Leasing or granting consent with respect to the sublease of all or any portion of its Commercial Unit, or the use thereof by persons or for purposes otherwise permitted and the granting of other consents as in these By-Laws provided, except that the Commercial Units shall be used for any lawful purpose approved by the Board as provided in the Plan, and provided that the Unit Owner of any Commercial Unit (and any lessee, sublessee and occupant) complies with any other restrictions with respect to its Commercial Unit that the Unit Owner of such Commercial Unit agreed to with Sponsor.

(d) Selling, leasing, mortgaging, managing and otherwise dealing with all or any portion of its Commercial Unit.

(e) Making repairs, restorations, additions and improvements to, or alterations of, its Commercial Unit, provided such repairs, restorations, additions, improvements and alterations comply with all applicable Legal Requirements and do not significantly and adversely affect all or any portion of the Building outside the Commercial Units (including, without limitation, any building systems outside of the Commercial Units).

(f) Making repairs to and restoration of its Commercial Unit, or parts thereof, damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, provided such repairs and restorations comply with all applicable Legal Requirements and do not significantly and adversely affect all or any portion of the Building outside the Commercial Units (including, without limitation, any building systems outside of the Commercial Units).

(g) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only its Commercial Unit, as set forth in Section 6.4.

(h) Borrowing money when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, its Commercial Unit, or otherwise in connection with any permitted action or activity of such Commercial Unit Owner; provided, however; that (i) no lien to secure repayment of any sum borrowed may be created on any other Unit or its appurtenant interests in the Common Elements without the consent of the owner of such other Unit, and (ii) Unit Owners other than such Commercial Unit Owner will not be liable for repayment of any portion of any such loan, unless they otherwise agree in writing.

(i) Execution, acknowledgement and delivery of (i) any declaration or other instrument affecting its Commercial Unit which the Unit Owner thereof deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any other public authority or agency, applicable to the maintenance, demolition, construction, alteration, repair or restoration of its Commercial Unit, (ii) any consent, covenant, restriction, easement or declaration affecting its Commercial Unit which the Unit Owner there deems necessary or appropriate, or (iii) executing and delivering any documents, agreements or other instruments necessary to sell,

lease, mortgage, manage and/or operate any portion of its Commercial Unit. (The provisions of this subparagraph 2.2.3(i) are subject to the provisions of Articles 10 and 19 of the Declaration.)

(j) Execution, acknowledgement and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain a reduced real estate tax assessment solely with respect to its Commercial Unit.

2.2.4 Any action required or permitted to be taken pursuant to the provisions of these By-Laws or the Declaration by the Board shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board, and the Board may employ one or more managing agents and/or managers (individually and/or collectively, the "Managing Agent"), at a compensation established by the Board, to perform such duties and services as the Board shall authorize. The Board may delegate to such Managing Agent or manager any powers granted to the Board by these By-Laws, except the powers set forth in subparagraphs 2.2.2(b), (e), (f), (g), (h) (k), (l), and (n) through (v).

2.2.5 Notwithstanding anything to the contrary contained in these By-Laws, (including, without limitation, in Section 2.2.2 above) for a period (the "Initial Control Period") which shall end upon the later to occur of: (a) the fifth anniversary of the First Closing of title to any Unit pursuant to a Purchase Agreement (as such term is defined in that certain Offering Plan, dated as of _____, 2006 for the sale of Residential Units at the Condominium (the "Offering Plan")); or (b) the closing of title by Sponsor to Units representing more than 75% in number and in aggregate Common Interests of all Residential Units, the Board may not, without Sponsor's prior written consent: (i) make any addition, alteration or improvement to the Common Elements or any Residential Unit (unless required by any applicable laws, statutes and ordinances (including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof ("Legal Requirements"); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B — "Projected Budget for First Year of Condominium Operation" set forth in the Offering Plan (the "First Year's Budget"); (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium (other than the indebtedness in connection with the Resident Manager's Unit, or unless such borrowing is approved by the owners of Units representing at least 75% in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Residential Unit. However, the Board may take any of the actions enumerated in subsections (i) through (vi) above, without the consent of Sponsor if, and only if such action is necessary, and no other alternative is available, either to enable to Board to comply any Legal Requirement, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general conduct or welfare) of the occupants of the Building. Sponsor may not exercise veto power over expenses

described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever the Unsold Residential Units constitute less than 25% of the Common Interest, whichever is sooner.

2.3 Number and Terms of Office of Members of the Board.

2.3.1 Until the First Annual Meeting held by the Unit Owners pursuant to the terms of Section 3.1 hereof, the Board (the "First Board") shall consist of three (3) persons designated by Sponsor from time to time. Prior to the First Annual Meeting, the terms of each member of the First Board shall expire annually and, subject to the other provisions of this Section, Sponsor shall have the right to designate the replacement for each such member, even though such replacement may be the same person. In accordance with the provisions of and within the time periods set forth in Section 3.1, the First Board shall cause the President of the Condominium to call the First Annual Meeting of Unit Owners. The term of office of the three members of the First Board so designated by Sponsor shall expire when the seven members to be elected and/or designated at First Annual Meeting are so elected or designated, as the case may be, and qualified.

2.3.2 From and after the First Annual Meeting, the Board shall consist of seven persons: four members designated by the Residential Unit Owners (including Sponsor) and three members representing the owners of the Commercial Units (the "Commercial Unit Members") elected by the owners of the Commercial Units. For so long as Sponsor is entitled to designate one Member, as provided for in subsection 2.4.3 hereof, the Board may not be expanded beyond seven members without the prior consent of Sponsor.

2.3.3 The term of office of each of the seven members comprising the Board will usually be three years, except that the terms of office with respect to the first seven member board shall be fixed at the First Annual Meeting as follows: (a) three members will serve for approximately three (3) years, (b) three members will serve for approximately two (2) years, and (c) one member will serve for approximately one (1) year. At the expiration of the initial term of office of each member of the Board, each such member's successor will be elected (or designated, as the case may be) to serve for a term of three years. The Members of the first Board elected at the First Annual Meeting who receive the highest number of votes will serve for the longest terms; but except as set forth in subsection 2.6 hereof, any members designated by Sponsor or its designee pursuant to the terms of subsection 2.4.3 will serve for the shortest terms. At each annual meeting of Unit Owners subsequent to the First Annual Meeting, the Unit Owners shall elect (or in the case of the Commercial Unit Owner(s), designate), as the case may be, pursuant to the terms of Section 2.4 hereof, Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at three years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, each member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board (including any Member designated by

Sponsor, or its designee, or the Commercial Unit Owner(s)) may serve until his or her successor shall be elected and qualified.

2.4 Election of Board Members; Rights of Sponsor.

2.4.1 Subject to the terms of subsection 2.4.3, all Members of the Board shall be determined by plurality of the votes cast by the Unit Owners (including Sponsor or its designee, for so long as Sponsor or such designee owns at least one Unit) who are present (in person or by proxy) and voting at a meeting at which a quorum of all Unit Owners is present or not required.

2.4.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting, the Units owned by such Unit Owner and the percentage of Common Interest attributable to each Unit owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

2.4.3 Notwithstanding any other provision of this Section 2.4 or of these By-Laws or otherwise to the contrary, at the First Annual Meeting and at all times theretofore and thereafter, Sponsor and/or its designee and/or any owner of Unsold Units shall be able to vote in accordance with its/their ownership of Units and thus may be able to elect members of the Board by virtue of its/their ownership of Units. In addition, at elections of members to the Board held after the expiration of the Initial Control Period but while Sponsor and/or its designee still owns at least two Residential Units, Sponsor and/or its designee shall have the right to elect or designate not more than two members of the Board (in addition to any member(s) designated by Sponsor as the Unit Owner of one or more of the Commercial Units), who may be persons related to or affiliated with Sponsor, such designee or other Unsold Unit Owner; and Sponsor, such designee and all other Unit Owners shall have the right to elect (or in the case of the Commercial Unit Owners, to designate) the remaining members of the Board.

2.5 Resignation and Removal.

2.5.1 Any member of the Board may resign at any time by written notice given in accordance with the terms of Section 5.1 of these By-Laws to the President or Secretary of the Condominium and, with respect to members of the Board designated as such or elected by Sponsor (or its designee), by also giving such written notice to such party. Any such resignation shall take effect at the time specified in such notice and, unless specifically requested by the resigning member, acceptance of such resignation shall not be necessary for the effectiveness thereof.

2.5.2 Subject to the provisions of Sections 2.3 and 2.4, and except as provided in the following sentence, any Member elected by the Board pursuant to the terms of Sections 2.4 or 2.6 hereof, respectively, may be removed from office, with or without cause, by a Majority of Unit Owners (as hereinafter defined.) Any Member who was designated or elected as such by Sponsor (or its designee), in Sponsor's capacity as a Unit Owner, pursuant to the terms of Sections 2.4 or 2.6, may be removed from office (x) for cause, by a Majority of Unit Owners and (y) without cause, only by Sponsor (or its designee). In the event of any removal described in the previous sentence, whether with or without cause, either Sponsor (or its

designee) shall have the sole right to designate the replacement of the member which had been designated or elected by Sponsor (or its designee). Any Board member whose removal for cause has been proposed shall be given an opportunity to be heard at the meeting of Unit Owners at which such removal is to be considered.

2.6 Vacancies on Board. Subject to the provisions of Sections 2.3, 2.4 and 2.5, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. However, any vacancy on the Board created by the resignation, removal or any other reason of any Board member designated as such by Sponsor (or its designee) shall be filled only by or Sponsor (or its designee, as the case may be).

2.7 Organizational Meetings of Board. The first meeting of the Board following each annual meeting of Unit Owners shall be held within ninety (90) days after such annual meeting at such time and place in the Borough of Manhattan as shall be fixed by a majority of the Members thereof, and no notice shall be necessary to the Board Members in order to legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

2.8 Regular Meetings of Board. Regular meetings of the 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 two such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings shall be given to each member thereof, by personal delivery, nationally recognized overnight courier or telecopy, at least five business days prior to the day named for such meeting.

2.9 Special Meetings of Board. Special meetings of the Board may be called by the President or Vice President of the Condominium by giving at least five business days' prior notice to each member of the Board, by personal delivery, nationally recognized overnight courier or telecopy, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. In addition, the President shall call a special meeting upon the written request of two or more members of the Board.

2.10 Waiver of Notice. Any member of the Board 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 Board at any meeting thereof shall constitute a waiver by such member of notice of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by Board; Quorums.

2.11.1 Except as otherwise set forth in subsections 2.6 and 2.11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Board meeting, a majority of the members thereof shall constitute a quorum

except as may otherwise be provided herein, and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2 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 until a quorum exists or may reconvene the meeting to a time (specified on at least three business days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent members) when no quorum requirement shall apply. At any such adjourned meeting at which a quorum is present or is not required, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone call 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 Board may be taken without a meeting if all members of the Board consent thereto in writing.

2.12 Compensation. No member of the Board shall receive any compensation for acting as such.

2.13 Liability of Board and Unit Owners.

2.13.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of the Managing Agent, building engineer or superintendent in connection with the affairs or operation of the Condominium (except in its or their capacities as Unit Owners), and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by the Managing Agent shall state that it is made by the Board or the Managing Agent only as agent for all Unit Owners, and that the Board members or the Managing Agent shall have no personal liability thereon (except in its or their capacities as Unit Owners) and may also state the applicable limitations of liability of the Unit Owners provided for in the next sentence; however, the absence of such statement or statements in any such contract shall not be deemed to imply any personal liability on the part of the Board or the Managing Agent or any greater liability on the part of any Unit Owner than as provided in the next sentence. The liability of any Unit Owner for any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners; and in each case, to the extent permitted by applicable law, the liability of any Unit Owner shall be limited to such Unit Owner's interest in its Unit and its appurtenant Common Interest, so that such Unit Owner shall have no personal liability for any such contract, act or omission.

2.13.2 Nothing in the preceding section shall limit a Unit Owner's liability for the payment of Common Charges. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for its or his or her 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 Board member against any liability or claim except those arising out of such Board

member's own bad faith or willful misconduct. The Board may contract or effect any other transaction with any member of the Board, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.13.3 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other services to be provided or obtained by, or on behalf of, the Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Board or such member thereof, as the case may be; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, or from water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith or willful misconduct of the Board or such member thereof.

2.14 Fidelity Bonds. The Board shall obtain fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the Managing Agent and the premiums on such bonds shall constitute Common Expenses.

2.15 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint such committees as the Board may deem appropriate, each to consist of two or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers designated to it by the Board during the intervals between the meetings of the Board insofar as may be permitted by law. For so long as Sponsor is entitled to designate members to the Board, any committee appointed by the Board shall have as at least one of its members a member of the Board appointed by Sponsor.

2.16 Status of Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated 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 or organization of the Board pursuant to the provisions of Section 2.17, the provisions of this Section 2.16 shall no longer be applicable to the Board.

2.17 Incorporation and Organization of Board. To the extent and in the manner provided in the New York Condominium Act, the Board may, by action of the Board as provided in this Article 2, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that the Board so organizes or incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation or the articles of organization and operating agreement of such resulting limited liability company, as the case may be, 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

thereof and the provisions of such certificate of incorporation and by-laws or articles of organization and operating agreement.

2.18 Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.19 Prohibited Transactions. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; provided, however, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is commercially reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

2.20 Principal Office of Board. The principal office of the Board shall be located either within the Property or at such other place in the Borough of Manhattan, as may be designated from time to time by the Board.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. The first annual meeting of Unit Owners (the "First Annual Meeting") shall be held not later than 30 days following the later to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title by Sponsor (or its designee), as seller, to Units representing more than 50%, both in number and in aggregate Common Interests of all Residential Units, to Purchasers (as defined in the Offering Plan). At such meeting, a new Board shall be elected and/or designated (as provided in Sections 2.3 and 2.4) consisting of seven persons and the incumbent Board shall resign. Thereafter, annual meetings of Unit Owners shall be held within approximately four weeks after the anniversary of such first meeting in each

succeeding year on a date to be set by the Board. At such meetings, the Unit Owners shall elect, or designate, as the case may be, successors to the members of the Board whose terms of office are due to expire on or about the day of such meeting or have already expired and there shall also be transacted such other business as may properly come before such meeting.

3.2 Place of Meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other place in the Borough of Manhattan as may be designated from time to time by the Board.

3.3 Special Meetings. The President or the Vice President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary of the Condominium by Unit Owners owning Units representing not less than 50% of the Common Interests of all of the Units. Each such resolution or petition shall state, in reasonable detail, the purposes for calling such meeting.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting of Unit Owners shall be given by the Secretary of the Condominium to all Unit Owners of record entitled to vote thereat, at their address at the Condominium (or at such other address as any Unit Owner has designated by notice in writing to the Secretary of the Condominium at least 15 business days prior to the giving of notice of the applicable meeting). 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 at such meeting except as stated in the notice. All notices hereunder shall be given by personal delivery, mail, nationally recognized overnight courier or telecopy, at least 10 business days prior to the date fixed for the 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 in the manner provided above, at least 30 days prior to the date fixed for such meeting and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Lack of Quorum. Subject to the terms and provisions of subsection 2.6, if any meeting of Unit Owners cannot be held because a quorum is not present, the Unit Owners who are present at such meeting, either in person or by proxy, may act by majority vote to either: (a) adjourn the meeting from time to time until a quorum exists; or (b) reconvene the meeting at a time (specified on not less than three business days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent Unit Owners) when no quorum requirement shall apply.

3.6 Order of Business. The order of business at all regular meetings of Unit Owners shall be as follows:

(a) Call to order.

(b) Roll call.

(c) Proof of notice of meeting.

(d) Reading of minutes of preceding meeting.

(e) Reports of officers.

(f) Reports of members of the Board.

(g) Reports of committees.

(h) Election of inspectors of election (when so required).

(i) Election of members of the Board.

(j) Unfinished business.

(k) New business.

(l) Adjournment.

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, limited liability company, association, trust, fiduciary 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.

3.8 Voting.

3.8.1 Each Unit Owner, or a person designated by such Unit Owner to act as proxy on its 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 and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in a signed and dated writing to the Secretary of the Condominium and shall be revocable at any time by written notice actually delivered to such Secretary by the Unit Owner who had made the designation; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months (except that the designation of a Permitted Mortgagee to act as the proxy of its mortgagor shall be effective until duly revoked). A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

3.8.2 If two or more persons or entities own a Unit, they shall designate one person or entity amongst them to vote the entire Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon such designors. Failing such a designation, all of such persons or entities shall mutually vote such Common Interest under one ballot, without division, and the concurrence of such persons or entities shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being made contemporaneously to the party presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

3.8.3 Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board or such designee, and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interests of Unit Owners for quorum and voting purposes.

3.8.4 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or its proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Residential Units) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to its Unit or Units including without limitation, for each Board member to be elected.

3.8.5 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is described in terms of a percentage of a particular class of Unit Owners, as a group (e.g. x% of all Residential Unit Owners), as opposed to a percentage of all Unit Owners, such required percentage shall mean a percentage in terms of the total Common Interests attributable to the particular class of Unit Owners and not the percentage of Common Interests attributable to all Unit Owners.

3.9 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws and in the Declaration, the term "Majority of Unit Owners" means those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at a duly constituted meeting at which a quorum is present or is not required.

3.10 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Residential Unit Owners owning Residential Units to which more than 50% of the aggregate Common Interests attributable to all Residential Units are appurtenant

3.11 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.

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice President, and Secretary/Treasurer thereof, all of whom shall be elected by the Board. The Board may elect more than one Vice President, or an Assistant Treasurer, or Assistant Secretary and such additional officers as in its judgment may be desirable. Unless prohibited by applicable law, any two or more offices of the Condominium may be held by the same person. None of the officers of the Condominium need be Unit Owners or have any interest therein until the first organizational meeting of the Board, which shall be held within 90 days after the First Annual Meeting. Thereafter, the President of the Condominium must be a member of the Board.

4.2 Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organizational meetings thereof and at any other meeting as may be required to fill a vacancy, and shall serve at the pleasure of the Board; except that the initial officers of the Condominium shall be elected by the First Board and shall hold office at the pleasure of such First Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice given in accordance with the terms of Section 5.1 of these By-Laws to the Board; such resignation shall take effect at the time specified and, unless specifically requested by the

resigning officer, acceptance of such resignation shall not be necessary to make it effective. Except as otherwise required by these By-Laws with respect to designation of officers of the Condominium, upon the affirmative vote of a majority of the members of the Board present in person or by proxy at a regular meeting of the Board, or at a special meeting of the Board called for such purpose, at which a quorum is present or is not required pursuant to Section 2.11.2, any officer may be removed, either with or without cause, and his or her successor shall be elected.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and of the 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 such President, in his or her discretion, may decide are appropriate to assist in the conduct of the affairs of the Condominium. From and after the first organizational meeting of the Board after the First Annual Meeting, the President of the Condominium must be member of the Board.

4.5 Vice President. The Vice President of the Condominium shall take the place of the President under whom he or she serves and shall perform the duties of the President whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some other member of the Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as, from time to time, shall be imposed by the Board or by the President.

4.6 Secretary/Treasurer. The Secretary/Treasurer of the Condominium shall keep the minutes of the meetings of the Unit Owners and of the Board. The Secretary/Treasurer shall have charge of such books and papers as the Board shall direct and, in general, shall perform all of the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York. In addition, the Secretary/Treasurer of the Condominium 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 Board (or in the name of the managing agent or manager appointed by the Board) in such depositories as may from time to time be designated by such 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.

4.7 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by the President or Vice-President, acting alone, or by any other two officers thereof or by such other person or persons as may be designated by the Board. In addition to the foregoing, the Board may authorize the managing agent serving on its behalf to execute checks, provided that the expenditures, and the managing agent's paying for same, have been approved in advance by resolution of the Board or have been authorized by two officers of the Condominium.

4.8 Compensation of Officers. Except as otherwise determined by the Board, no officer shall receive any compensation for acting as such.

4.9 Liability of Officers.

4.9.1 To the extent permitted by applicable law, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her 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, defend and hold harmless each officer against any liability or claim except those arising out of such officer's own bad faith or willful misconduct.

4.9.2 None of the officers of the Condominium shall be liable for either (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such officer; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, or from water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith or willful misconduct of such officer.

ARTICLE 5

NOTICES

5.1 Notices. Except as otherwise provided in these By-Laws: (a) all notices required or desired to be given hereunder to the Board shall be in writing and either delivered in person (only in the case of a notice to any of the Board) or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to the principal office of the Board (or to such other address as the Board may designate from time to time by notice in writing to all Unit Owners and to all Permitted Mortgagees) and a duplicate shall be sent in like manner to the Managing Agent; (b) all notices required or desired to be given hereunder to any Unit Owner shall be in writing and either delivered in person or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to the address of such Unit Owner at the Property or to such other address as may have been designated by such Unit Owner from time to time in writing to the Board; and (c) all notices required or desired to be given hereunder to Permitted Mortgagees shall be in writing and either delivered in person or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to their respective addresses, as may have been designated by such Permitted Mortgagees from time to time in writing to the Board. All notices shall be deemed to have been given when delivered in person (to the extent permitted herein) or three days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper, or the first business day after deposit with an overnight courier service, as the

case may be, except that notices of change of address shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever any 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 CONDOMINIUM

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 The Board shall, from time to time, but at least annually, prepare or cause to be prepared a budget setting forth its projections of the costs and expenses associated with the repair, maintenance, replacement, restoration, care, upkeep and operation of, and any alteration, addition or improvement to, the Common Elements, the provision of services to Unit Owners and the business and affairs of the Condominium (the "Common Expenses") for the next fiscal year and will allocate and assess charges (such charges, together with all such other amounts denominated or payable as common charges in or under the Declaration or these By-Laws, being collectively, the "Common Charges") among (a) the Residential Units and (b) the Commercial Units. Residential Unit Owners will be assessed Common Charges to meet the Residential Units' allocated shares of Common Expenses, and the Common Charges payable by each Residential Unit Owner will be in proportion to such Unit's percentage Common Interest compared to the total of all Residential Units. The Commercial Units Owners will be assessed Common Charges to meet the share of only those Common Expenses allocated to such Commercial Unit respectively by the Board. Each Commercial Unit's share of Common Expenses will be limited to a share of only certain components of the Common Expenses. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and, if requested, to Permitted Mortgagees thereof.

6.1.2 The Board may, in its sole discretion, from time to time, increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners, and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. However, a prior period's deficit may be included in Common Charges for a subsequent period or levied from a special assessment levied against all Unit Owners or Residential Unit Owners, as the case may be.

6.1.3 The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In the event of such failure by the Board, the Common Charges thereafter allocable to the Units until a new determination of

Common Charges is made shall be computed as set forth in the By-Laws. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses can be made.

6.1.4 In addition to the foregoing duty to determine the amount of and to assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.2). All special assessments shall be levied against all Unit Owners (or, as applicable, all Residential Unit Owners) in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges (including, without limitation, perfecting a lien against the defaulting Unit).

6.1.5 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 or Residential Limited Common Elements remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on behalf of all Unit Owners (in the case of any General Common Element) or the Residential Unit Owners (in the case of the Residential Limited Common Elements), and shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable. 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, licensing or use of any space in the Building be deemed to be derived from the rental, licensing 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.

6.1.6 Subject to the terms of this Article 6, the Common Expenses shall initially be allocated among the Residential Units and the Commercial Units as set forth in the footnotes to Schedule B in the Plan. The Common Charges payable by each Residential Unit Owner will be in proportion to such Unit's percentage Common Interests compared to the total of all Residential Unit Owners. Each Commercial Unit Owner will be assessed Common Charges to meet the share of only those Common Expenses allocated to its respective Commercial Unit as provided in Section 6.1.1 above. The Board shall periodically, but not less than once per year, review the Common Expenses to determine whether each category of Unit Owners is paying its fair share of the Common Expenses. Such redetermination shall also be made if any Commercial Unit is subdivided, the use of the same is changed, or the owners of 50% or more in percentage Common Interests of any category of Units request such a redetermination (which request may be made periodically, but not more often than once per year). If, as a result of a regular review, a redetermination based upon changed circumstances, or a redetermination requested by Unit Owners, such Unit Owners and the Board cannot agree upon any decision or determination to be made, the same shall be submitted for arbitration in accordance with the terms of Article 11 of these By-Laws. Pending the resolution of the dispute, the Unit Owners in question shall continue to pay Common Charges upon the allocations theretofore in force, and any variation in such Common Charges based upon such resolution shall be retroactive to the date of the review, redetermination, or request for redetermination, as the case may be. In no event, however, shall any expenses incurred by the Board for creating or increasing reserves, whether for repairs, replacements, or otherwise, be included when computing or redetermining the allocations of the Common Expenses, unless specifically

approved by the Board for the year in question. In addition to basing allocations of Common Expenses on Common Interests, the Board may also make allocations and assessments of Common Expenses based upon 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.

6.2 Payment of Common Charges.

6.2.1 All Unit Owners shall be obligated to pay to the Board Common Charges assessed by the Board pursuant to the provisions of Section 6.1 at such time or times as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.2.2 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 permissible sale, transfer or other conveyance by it (made in accordance with these By-Laws) of such Unit, together with its appurtenant Common Interest, except as expressly provided herein. Any Unit Owner may, subject to the terms and conditions of these By-Laws, convey its Unit, together with its appurtenant Common Interest, without consideration, to the Board or its designee, on behalf of all Unit Owners, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing, provided that: (a) such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges (provided that no amounts are owing under any such lien); 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. However, in no event may a Unit Owner exempt itself from liability for Common Charges by waiving use of any of the Common Elements or by abandoning its Unit. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to its acquisition thereof, except that, to the extent permitted by law, a Permitted Mortgagee acquiring title to a Unit at a foreclosure sale shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges assessed against such Unit subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by such mortgagee; the foregoing is subject to the provisions of the last sentence of subsection 6.3.1 hereof. However, in the event of a foreclosure of a Unit by a Permitted Mortgagee (whether by sale, deed in lieu of foreclosure or otherwise) or by the Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale actually received (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred by such Permitted Mortgagee in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, 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, as provided in these By-Laws.

6.2.3 Notwithstanding the provisions of subsection 6.2.1, any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and

conditions of these By-Laws, the Board may use, apply, or retain the whole or any part of the security so deposited to the extent required for the payment of any Common Charges or any other sum as to which Unit Owner is in default.

6.3 Default in Payment of Common Charges; Lien for Unpaid Common Charges; Other Remedies.

6.3.1 Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien for Common Charges unpaid by any Unit Owner, together with interest thereon, on all Units owned by such Unit Owner. Such lien for Common Charges shall be subordinate only to liens for real estate taxes and, to the extent required by applicable law, to prior recorded Permitted Mortgages on such Units, which are first mortgages of record.

6.3.2 In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay: (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than 10 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 (exclusive of any "late charges" theretofore assessed on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees and expenses paid or incurred by the Board or by the Managing Agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges, whether 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. In addition, if the Board shall bring an action to foreclose such lien because of unpaid Common Charges, the defaulting Unit Owner shall be required to pay a reasonable fee for the use and occupancy of its Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. All such "late charges", interest, expenses and fees shall be added to and shall constitute Common Charges payable by such Unit Owner; and the lien for unpaid Common Charges shall also secure the payment of such additional sums. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges.

6.3.3 In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Board, acting on behalf of all Unit Owners, shall have the power (but shall not be obligated) to purchase any such Unit at the foreclosure sale thereof, and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit (but not to vote the interests appurtenant thereto). In the event the net proceeds received on a 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, as provided in these By-Laws.

6.3.4 For the purposes of this subsection 6.3.4, "non-occupying owner" shall mean a Unit Owner who or which does not occupy its Unit.

(a) If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Unit Owner to

the Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Unit within 60 days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

(b) If the Payments for any Unit have not been paid in full, within 60 days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. Where a majority of the Board has been elected by and from among the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Board. At such time as Payments from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within 30 days of the date that such Board receives notice that such owner seeks to dispute such claim.

(c) Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other law or agreement.

(d) Payment by a rental tenant to the Board made in connection with this subsection 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.

6.4 Insurance.

6.4.1 The Board shall be required to obtain and maintain, to the extent obtainable at commercially reasonable rates, and to the extent determined by the Board to be appropriate, the following insurance: (a) property insurance with all risk extended coverage (excluding terrorism coverage), vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, decorations, appliances or other personal property not constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings), without deduction for depreciation; (b) rent insurance in an amount equal to Common Charges for one year; (c) workers' compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Board; (f) water damage insurance to the extent, if any, determined by the Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all officers, Board members, directors and employees of the Condominium and of the Managing Agent who handle funds of any of the foregoing; (i) directors' and officers' liability coverage; and (j) such other insurance as the Board may determine from time to time. The Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost

thereof shall be a Common Expense as described in Section 6.1.1 above. Each of said policies shall contain a Condominium Property Endorsement and 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. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be allocated among the Units on the basis of Common Interests. In the event that assessing insurance premiums on the basis of Common Interests does not substantially reflect the premium charges for actual coverage for any of the Residential Units or the Commercial Units, and the Commercial Unit Owners and the Board fail to agree on a manner to accurately allocate the premiums, the matter shall be determined by Arbitration.

6.4.2 To the extent obtainable at commercially reasonable premiums, all fire, casualty and general liability insurance policies which the Board is required to maintain must provide that each Unit Owner is an additional insured party and contain, 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 cancelled or substantially modified without at least 30 days' prior written notice to all of the insureds, including the Board, all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing. Renewals shall be obtained at least 10 days prior to the expiration of the then current policies.

6.4.3 All such policies shall provide that adjustment of loss shall be made by the Board unless the loss involves solely the Commercial Units, in which event adjustment shall be made by the Commercial Unit Owners. Insurance proceeds with respect to any loss shall be payable to the Board or Unit Owners entitled to adjust such loss, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $2,500,000, shall be payable to a New York City bank or trust company designated by the Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.7. Any dispute between the Board and the Commercial Unit Owners under this subsection 6.4.2 shall be determined by Arbitration.

6.4.4 The amount of fire insurance and all risk extended coverage to be maintained with respect to the Condominium (including each Unit, but excluding such items noted in subsection 6.4.1 to be excluded) until the first Board meeting following the First Annual Meeting of Unit Owners shall be 100% of the full replacement cost of the Property or the amount provided for in the First Year's Budget.

6.4.5 All policies of physical damage insurance shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing.

6.4.6 The Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, covering (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents and Permitted Mortgagees, if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within or about its own Unit or within or about the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the first annual meeting of Unit Owners, such liability insurance shall be at least $1,000,000 with respect to any occurrence, with umbrella coverage of at least $100,000,000 and at no time and in no event shall such comprehensive general liability insurance afford protection to the limit of less than such amounts. The Board shall also be required to obtain and maintain fidelity insurance covering the Board, the Managing Agent, each Board member and each officer and employee of the Condominium in respect of the maintenance and/or operation of the Building or any part thereof. The insurance required in accordance with this subsection 6.4.5 shall also cover cross-liability claims of one insured against another.

6.4.7 Any insurance maintained by the Board may provide for such deductible amounts as the Board determines.

6.4.8 If the use of any Unit causes an increase in the premium for the insurance which the Board is required to obtain and maintain, as set forth herein or otherwise, then the owner of such Unit shall be obligated to pay to the Board a sum equal to the amount of such increase attributable to such use.

6.4.9 The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit or any liability with respect to occurrences within or about a Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain comprehensive general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive to his or her Unit, affording protection of at least $1,000,000 per occurrence plus at least $3,000,000 umbrella liability coverage which shall be issued by an insurance company qualified to do business in the State of New York and approved by the Board, acting reasonably; and the Board, the Managing Agent and Sponsor shall be named as additional insureds on such insurance policies. Subject to the requirements herein, Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense and the Board shall not be prohibited from carrying additional insurance; provided, however, all policies of insurance obtained by any Unit Owner with respect to occurrences within or about a Unit or the Common Elements appurtenant thereto shall contain a waiver of the insurer's rights of subrogation against the Board. The liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. To the extent any party is insured, or required to be insured for loss or damage to property hereunder, each party will look to its own insurance policies for recovery.

6.4.10 All policies obtained by any Unit Owner shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and shall further provide that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any additional insurance carried by any other Board Owner and shall, to the extent obtainable, contain a waiver of the insurer's right of subrogation against the Board. On or prior to the date upon which any given Unit Owner acquires title to its Unit, each such party shall deliver to the Board certificates evidencing the insurance required to be maintained by such Unit Owner hereunder. Evidence of each renewal or replacement of a policy shall be delivered by Unit Owner to the Board at least ten (10) days prior to the expiration of such policy.

6.4.11 If the fire and casualty insurance for the Building is increased because all or part of a Commercial Unit is used as a restaurant, then that Commercial Unit Owner shall pay such increased cost to the Board upon demand therefor by the Board.

6.4.12 Any insurance coverage(s) required to be obtained by the Board may be satisfied by any so-called builder's risk policy obtained by Sponsor in connection with the renovation of the Building, provided the limits and terms of such policy are adequate to meet the terms and conditions set forth in this Article 6. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

6.4.13 Until payment of the debt under the mortgage securing Sponsor's Construction Loan (the "Construction Mortgage") is made in full or until such mortgage is assigned by Construction Lender to Sponsor's designee, whichever occurs first, the Board must comply with the obligations the Construction Mortgage (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period).

6.5 Repair or Reconstruction after Fire or Other Casualty.

6.5.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, improvements, betterments, equipment, furniture, furnishings or other personal property in any such Unit) and the Board or the Insurance Trustee (as defined in Section 12.7 below), as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If only the Commercial Units are destroyed or damaged by fire or other casualty and if the net insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the Commercial Unit Owners will bear the entire amount of the deficit, or shall receive all of the surplus, as the case may be, in proportion to their respective Common Interests. Similarly, if only the Residential Units and the Residential Limited Common Elements are damaged or destroyed by fire or other casualty and the insurance proceed are less than sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be borne or shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other

casualty affects the General Common Elements, or any combination of the Residential Units, and the Commercial Units, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners, or by the Unit Owners of the affected portions of the Building, as appropriate, in proportion to their respective Common Interests. Any surplus payable to any Unit Owner pursuant to this subsection 6.5.1 shall be lessened by such amounts as may be required to discharge unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of priority of such liens.

6.5.2 If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, the Building (or so much thereof as remains) 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 : (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owners, and the third chosen by the other two appraisers); and (ii) then among the Unit Owners of each class of Unit in proportion to the respective Common Interests of such Units; provided, however, that no payment shall be made to a Unit Owner until there has first be paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens.

6.5.3 As used in this Section 6.5, the words "promptly resolve" shall mean not more than 60 days after the date of the damage of destruction in question occurs.

6.5.4 Any dispute between the Board and a Unit Owner under this Section 6.5 shall be settled by Arbitration (as provided in Article 11).

6.6 Maintenance and Repairs.

6.6.1 Except as otherwise provided in the Declaration or these By-Laws: (a) all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, and all maintenance, repairs and replacements of all plumbing, heating and lighting fixtures, heating and air-conditioning units and appliances (i) in or to any Residential Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws) and the interior side of entrance doors thereto, shall be made by the owner of such Unit at its sole cost and expense; provided that, except in the case of work to be done in Unsold Residential Units or in the Commercial Units, the Unit Owner thereof will utilize only such contractors, workers or suppliers as are on the Managing Agent's then approved list, which list may change from time to time in the Managing Agent's or the Board's sole discretion; (ii) in or to the General Common Elements (unless caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost), shall be made by the Board and the cost and expense thereof shall be charged as a Common Expense to all Unit Owners, or (iii) in or to the Residential Limited Common Elements (unless caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost) shall be made by the Board, and the cost and expense thereof shall be charged to all

Residential Unit Owners in proportion to their respective Common Interests; provided, however, that a Residential Unit Owner having use of a Terrace shall be responsible for ordinary maintenance and cleaning thereof; (b) a Unit Owner shall not be responsible for the cost of painting, decorating, maintenance, repairs or replacements on or to any Unit other than to its own Unit (and any Limited Common Elements included in or appurtenant to any such Unit), except to the extent otherwise provided herein; and (c) each Unit and all portions of the Common Elements shall be kept in a clean and sanitary condition, and in good working order (and all portions thereof exposed to public view shall be kept in a neat appearance and in first-class condition in accordance with the high quality, character and dignity of the Building), in each case, by the Unit Owner or the Board, whichever is responsible, under the By-Laws, for the maintenance thereof. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Board, at the expense of such Unit Owner, may enter such Unit and perform such acts as are necessary to cure such default. Without limiting the foregoing, Unit Owners shall be responsible for all maintenance, repairs and replacements of all plumbing, appliances and lighting fixtures, and heating, ventilation and air conditioning units in their respective Units. Notwithstanding the forgoing, (i) each Residential Unit Owner shall be responsible for all ordinary maintenance, repairs, replacements and cleaning of each Terrace appurtenant to its Residential Unit (including, without limitation, replacement of tiles); however, the costs and expenses of any extraordinary or structural repairs or replacements, (including, without limitation, work necessary to repair any leaks) with respect to each such Terrace (unless caused by or attributable to a given Unit Owner, in which case such Unit Owner shall be responsible for the entire cost), shall be charged to all Residential Unit Owners (or, in the case of the Terrace on the Tenth Floor and the Terrace on PH6, all Unit Owners) as a Common Expense, and (ii) the Residential Unit Owners shall bear the entire cost all ordinary maintenance, repairs, replacements and cleaning of the Lounge, Fitness Center, 10th Floor Terrace, Roof Terrace, and Solarium as a Common Expense of the Residential Unit Owners.

6.6.2 Notwithstanding the provisions of subsection 6.6.1:

(a) In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof (including, without limitation, any Unit) is necessitated by or attributable to the negligence, misuse, neglect or abuse of (i) any one or more Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, the entire cost thereof shall be borne entirely by such Unit Owner, or (ii) the Board or its tenants, agents, invitees, licensees or guests, the entire cost thereof shall be charged to all Unit Owners as a Common Expense, except to the extent in any case that such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

(b) Except as may otherwise be expressly provided herein, no Unit Owner may install, inscribe or expose any signage on or at any window or any other part of the Common Elements. Notwithstanding the forgoing, (i) there are no restrictions on the ability of the Commercial Unit Owners to place any signs inside the Commercial Units, provided such signs comply with all applicable Legal Requirements and do not significantly and adversely affect all or any portion of the Building outside the Commercial Units and (ii) the Commercial Unit Owners will be permitted to place signs and awnings on the exterior of the Commercial Units, provided that (w) no flashing, blinking or neon sign shall be placed in the windows or in any display or other area visible to public view from the outside of the Commercial Units, (x) no canopy or marquee shall be placed or installed outside the Commercial Units, (y) the affected

Commercial Unit Owner obtains the written consent of the Board, which consent shall not be unreasonably withheld; provided that the standard sign of an occupant of a Commercial Unit which is a national retailer shall not require the consent of the Board and (z) such signs and awnings comply with applicable Legal Requirements and do not otherwise violate the provisions of these Bylaws (other than the first sentence of this subparagraph (b)) or the Declaration. Additionally, notwithstanding the forgoing, Sponsor, any holder of Unsold Residential Units and the Board shall have an easement to erect, maintain, repair and replace signs, notices, advertisements and illuminations on reasonable portions of the Property, including, without limitation, on the portions of the Building, on or at windows and in interior public spaces of the Building (but in no event within the interior of or on the exterior of the Unit owned by any other party), for the purposes of advertising the availability of Units for sale or lease by Sponsor or its designee and/or, in the case of the Board, for any other valid business purpose.

(c) Sponsor makes shall have no liability whatsoever with respect to any signs, notices, advertisements and illuminations (collectively "Signage") which may be affixed on various exterior portions of the Building, on or at windows and in interior public spaces of the Building by Sponsor, the Board and/or one or more of the Commercial Unit Owners, all as and to the extent provided in the Declaration and/or By-Laws.

(d) The Board will enter into a branding agreement (the "Branding Agreement") with The Setai Group LLC, a New York limited liability company ("Setai Licensor") prior to the closing of title to the first Unit, pursuant to which the Condominium may use certain Setai trademarks and must adhere to certain brand standards promulgated by Setai Licensor. Any signage affixed by the Board that uses the Setai Intellectual Property shall be subject to the approval of Setai Licensor and subject to further terms and conditions of the Board Branding Agreement. Only the Board is licensed to use the Setai Intellectual property under the terms of the Board Branding Agreement. No other party may use the Setai Intellectual Property in any signage, or otherwise, without the express consent of Setai Licensor.

(e) The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be altered, colored or painted. The washing and cleaning of interior glass surfaces of windows in the Units shall be the responsibility of the respective Unit Owner. All windows shall be cleaned a minimum of two times per calendar year. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior and exterior surfaces of windows located in their respective Units. Any replacement of glass windows in any Residential Unit, because of breakage or otherwise, shall be made by the Board, and charged to the Residential Unit Owners, as a Common Expense on an allocated basis (unless such breakage is caused or attributable to negligence, misuse, neglect or abuse of one or more Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, in which event such replacement of glass windows shall be made by the Board, at the expense of such Unit Owner(s)) to the extent that the Board's insurance does not cover the same. Any replacement of glass windows in a Commercial Unit, because of breakage or otherwise, shall be promptly performed by the affected Commercial Unit Owner at its sole cost and expense (except to the extent the need to replace same results from the negligence, misuse or abuse of another Unit Owner or the Board.)

In the event that, under applicable Legal Requirements, any exterior windows in the Residential Units must be reduced in size or closed, the owner of the affected Unit shall solely bear the costs relating to such reduction or closure and, in the event that closure is

required, such windows will be enclosed by the Board, at the sole cost of the affected Residential Unit Owner.

(f) Except as otherwise provided in Section 6.6.1, all normal maintenance, repairs and replacements of any Residential Limited Common Element appurtenant to a Unit shall be made by the Unit Owner having exclusive access thereto, at its own cost and expense; any structural or extraordinary repairs or replacements thereto (including, without limitation, leaks) shall be made by the Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Common Expense, unless due to the negligence, misuse, neglect or abuse of such Unit Owner or its tenant, agent, invitee, licensee or guest, in which event such Unit Owner shall bear the entire cost thereof, and the same shall, for all purposes hereunder, constitute part of the Common Charges payable by such Unit Owner. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise.

6.6.3 Each Unit and all portions of the Common Elements shall be kept in the condition and otherwise in such manner that standards of quality and appearance are maintained which are appropriate for a luxury mixed use condominium project (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof under the Declaration or these By-Laws, and such Unit Owner or the Board shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas which are exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by: (a) the Board, with respect to such parts of the Building it is required to maintain under the Declaration or these By-Laws; and (b) each Unit Owner, with respect to the windows and window shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to its Unit, as well as those other areas of such Unit and its appurtenant Residential Limited Common Elements (if any) which are exposed to public view. To promote a consistent appearance of the Building from the outside, each Residential Unit Owner will be required to install and maintain window treatments having a neutral-colored backing on the sides facing the windows in its Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board.

6.6.4 Without limiting the generality of the other provisions of these Bylaws (including, without limitation, Section 6.6.3 hereof and the Rules and Regulations), each Commercial Unit Owner, at its sole cost and expense, shall:

(a) clean the interior and exterior of the windows and doors (including, in each case, the frames thereof) in its Commercial Unit and in the perimeter walls thereof whenever necessary, and clean and polish the inside and outside of the store fronts of its Commercial Unit whenever reasonably necessary;

(b) keep its Commercial Unit clean, and in a sanitary condition, keep all plumbing and sanitary systems and installations serving its Commercial Unit in a good state of

repair and operating condition to the points they connect with the main vertical risers and stacks of the Building;

(c) comply with all sanitary codes, bag and remove all rubbish and other debris from the subleased premises daily between the hours of 6:00 P.M. and 8:00 A.M., keep the sidewalks in front of its Commercial Unit clean and free from any garbage, debris, or obstruction and place all garbage away from the lobby;

(d) use reasonable efforts to eliminate all noxious fumes, odors or gases originating from its Commercial Unit and vent the foregoing;

(e) utilize, all reasonable measures to keep its Commercial Unit free from rats, mice, insects, and other vermin;

(f) on a daily basis, keep the sidewalks in front of its Commercial Unit clean and free of dirt, ice, snow, mud and rubbish, but the cost of all necessary repairs or replacements to the sidewalks for which the Condominium is responsible shall be a Common Charge (unless the need to make such repair or replacement is caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost);

(g) as soon as reasonably practicable after any glass (including mirrors) in its Commercial Unit and the perimeter and the demising walls thereof is broken or cracked, including a so-called "bulls eye" break in the glass, replace such glass with glass of substantially the same kind and quality as may be necessary or desirable in connection with such replacement, repair or replace the frames for such glass and in the event such Commercial Unit Owner shall fail to so replace such glass and if necessary repair or replace such frames as aforesaid, then the Board may replace the glass, if necessary, and repair or replace such frames on such Commercial Unit's behalf and the affected Commercial Unit Owner shall, within ten (10) days after the Board's demand therefor, pay to the Board the costs incurred by the Board in so doing; and

(h) install, over and adjacent to the areas used for cooking or baking the proper exhaust hoods and equipment which will be equipped in an "ansul" or equal self-extinguishing fire control system, which shall be approved by the Board of Fire Underwriters for such use.

6.6.5 In the event that any Unit Owner, after receipt of written notice from the Board, fails or neglects in any way to perform any of its obligations with respect to the maintenance, repair or replacement in or to its Unit as provided in this Article 6 or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board may perform or cause to be performed such maintenance, repair or replacement unless such Unit Owner, within 10 days after receiving notice of such default by the Board, (except in the event of an "emergency", i.e., a condition requiring repairs, replacements or installations immediately necessary for the preservation or safety of all or any portion of the Property or for the safety of occupants of the Building or other persons, or required to avoid the suspension of any necessary service in the Building or with respect to all or any portion of the Property), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences (within such 10 day period) and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses

incurred by the Board in connection with the making of any such maintenance, repair or replacement in or to such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible as aforesaid, together with interest thereon at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.7 Alterations of Units.

6.7.1 Except as otherwise provided in the Declaration or these By-Laws:

(a) No Residential Unit Owner (other than Sponsor or its designee as the owner of Unsold Residential Units) shall make any alterations, additions, installations, improvements, replacements or repairs (all of the foregoing being, collectively, "Alterations") in or to its Unit which affects the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning systems thereof), without obtaining the prior written consent of the Board thereto. Prior to, and as a condition of, the granting of its consent to the making of any such Alteration in or to a Unit, the Board, at its option, may require any Residential Unit Owner to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such Alteration (as defined below) may be made. Any Unit Owner seeking to perform such work requiring the consent of the Board shall be liable for all costs and expenses incurred by the Board in obtaining such consent.

(b) All repairs which would affect the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning system thereof, but excepting any system which exclusively serves the Unit in question) and all Alterations to any Residential Unit shall be made in accordance with plans and specifications, which plans and specifications shall be subject to review and approval by the Board.

(c) The Board may impose fees upon any Unit Owner to reimburse the Condominium for costs incurred by the Board in connection with the review and supervision of such Unit Owner's work.

6.7.2 All Alterations by a Unit Owner shall be performed:

(a) at the Unit Owner's sole cost and expense (which shall include, without limitation, the reasonable costs of the Board incurred in reviewing and approving such Unit Owner's submission for approval (if such approval is required under these By-laws) and in monitoring such Unit Owner's compliance with the provisions of this Section 6.7);

(b) in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees or other contractors or subcontractors employed in the Units or the Building;

(c) only during only such days and hours as may be specified by the Board in its reasonable judgment;

(d) only after obtaining such insurance, naming the Board, the Managing Agent and Sponsor as additional insureds, as the Board or the Managing Agent may require and indemnifying the Board, all other Unit Owners and the Managing Agent against any liability arising from the work;

(e) in the case of a Residential Unit, employing such architects, engineers, contractors, subcontractors, workers, suppliers and other laborers who are on the Managing Agent's then approved list, as such list may change from time to time, in the sole discretion of the Board or the Managing Agent; and

(f) in compliance with the Declaration, these By-Laws, the Rules and Regulations, the overall Building standards and all applicable laws, ordinances, orders, rules, regulations and requirements of all governmental and quasi-governmental authorities, including, without limitation, the requirements of the New York City Department of Buildings and the boards of fire underwriters having jurisdiction thereof (all such laws, ordinances, orders, rules, regulations and requirements being sometimes hereinafter collectively referred to as "Legal Requirements"), including, without limitation, Legal Requirements relating to licensing of contractors, obtaining of all necessary governmental permits, authorization, certificate and licenses for the commencement and completion of any Alterations and obtaining of any amendment to the Certificate of Occupancy for such Unit, if necessary.

6.7.3 The Unit Owner performing, causing, permitting or suffering such Alterations to be performed shall, if required by the Board, pay the cost of: (i) any amendment of the Declaration and the floor plans of the Condominium, if required by the Board or by any applicable Legal Requirements, to reflect any such Alterations, (ii) obtaining all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations (copies of which shall be delivered to the Board promptly after the issuance thereof and prior to the commencement of any Alterations), and obtaining any amendment to the Certificate of Occupancy for such Unit, if necessary; provided that no work or change by or on behalf of a Residential Unit Owner will be permitted without the consent of the Board (which consent may be withheld on conditioned in the sole discretion of such Board) if such work or change would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued; and (iii) in the case of a Residential Unit, any reasonable architectural, engineering and legal fees incurred by the Board in connection with such work. Neither the Board nor any Unit Owner (other than the Unit Owner making, permitting or suffering any Alterations to be made in or to its Unit) shall incur any liability, cost or expense either: (A) in connection with the preparation, execution or submission of the applications referred to above; (B) to any contractor, subcontractor, supplier, architect, engineer or laborer on account of any Alterations made or permitted or caused to be made by any Unit Owner; (C) to any person or entity asserting any claim for personal injury or property damage arising therefrom; or (D) arising out of a Unit Owner's failure to obtain any permit, authorization, certificate or license, or to comply with the Declaration, these By-Laws, the Rules and Regulations and the provisions of any Legal Requirements insofar as the same relates to Alterations. A Unit Owner making or causing, permitting or suffering any tenant or occupant to make, any Alteration shall be deemed to have agreed to indemnify, defend and hold the Board, the Managing Agent and all other Unit Owners harmless from and against any liability, loss, cost, or expense arising therefrom, and from and against any and all loss, cost, expense (including, but not limited to, attorneys' fees and

disbursements), damage, injury or liability, whether direct, indirect or consequential, resulting from, arising out of, or in any way connected with, any of the foregoing.

6.7.4 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 an Alteration in or to any Unit shall, if and to the extent required by law or such department or authority, be executed by the Board, in the case of any Alteration which such party has approved (or for which its approval is not required), provided that the Board shall not incur any liability, cost or expense in connection with or by reason of executing such application.

6.7.5 Notwithstanding anything to the contrary contained in this Section 6.7 (but subject to all Legal Requirements), however, Sponsor and its designees shall each have the right pursuant (and subject) to the terms of the Declaration, without the approval of the Board: (i) to make any Alterations in or to any Unsold Residential Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, those required under the Offering Plan, any Purchase Agreement or otherwise); and (ii) to subdivide, combine and change the boundary walls of Unsold Residential Units. Additionally, any initial purchaser of any Unsold Residential Unit shall have the right, without approval of the Board, to make any Alterations in or to its Unit, provided that Sponsor or its designee has consented to the same in writing at or prior to the closing of title to such Unit (which consent may be withheld or conditioned in Sponsor's sole discretion), that such purchaser obtains all necessary approvals required by law, and that such purchaser complies with all of the other requirements of this Section 6.7.

6.7.6 In addition to the requirements set forth above in this Section 6.7, until a permanent Certificate of Occupancy is obtained for the Building, no Residential Unit Owner shall make any Alterations in or to its Unit without first notifying Sponsor of the same in writing and complying with Sponsor's requirements with respect to the same. Such requirements may include, without limitation, the following:

(a) such work not include any change that would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued;

(b) such Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in an amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with respect to such work and the completion of the same with all governmental authorities having jurisdiction;

(c) such work not be commenced until such Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(d) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(e) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(f) promptly after the completion of such work, all necessary inspections and approvals of the same shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(g) such Residential Unit Owner shall indemnify, defend and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of a Legal Requirement or due to any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued) as a result of such work or the failure to timely make all appropriate governmental filings in connection with the same; and

(h) all contractors shall be duly licensed to the extent required by applicable Legal Requirements and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Board), such work shall be performed solely by union members.

If any Residential Unit Owner commences any such Alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the same, Sponsor shall be entitled to cause such work by such Unit Owner to be halted, including, without limitation, causing the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers, until such Unit Owner so complies. During the period until such Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to cause to be performed (whether by Sponsor, its designee or otherwise) any and all work in and to such Unit Owner's Unit as shall be necessary, in Sponsor's or its designee's sole judgment, in order to avoid any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Unit Owner. The cost and expense of any such work so performed shall be borne by such Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

6.7.7 Alterations to Commercial Units. A Commercial Unit Owner may make Alterations in or to its Commercial Unit (including any decorations that are compatible with the first class character and location of the Building) which, in each such case, comply with applicable Legal Requirements, without obtaining the approval of the Board, except that Alterations which would affect the structural, mechanical, electrical or plumbing elements of the Building, or the exterior appearance of the Building, shall be subject to the approval of the Board, which shall not be unreasonably withheld. In the event that a dispute arises between a

Commercial Unit Owner and the Board regarding any Alteration subject to the Board's approval (or which the Board asserts is subject to its approval), such dispute shall be submitted to arbitration in accordance with the terms of Article 11 of these By-Laws, provided that the parties shall cause such arbitration to proceed in an expedited manner. A Commercial Unit Owner will be granted reasonable access to, and shall have an easement over, all parts of the Building (other than the interior of Residential Units) to which such Commercial Unit Owner reasonably requires access in order to perform any work or alterations desired by the Commercial Unit Owner thereof and permitted or required to be made by such Commercial Unit Owner hereunder.

6.8 Alterations to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions or improvements in or to the Common Elements will be made by the Board. Except as otherwise expressly provided in these Bylaws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Residential Limited Common Elements will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Owners. Whenever, in the judgment of the Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than $100,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence, including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgagee Representatives"), or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges. Any additions, alterations, or improvements costing $100,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Board without the approval of the Unit Owners.

6.9 Use of Residential Units. A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Residential Unit may only be occupied by: (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being

designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing.

6.10 Use of Common Elements; Use of Adjacent Sidewalks.

6.10.1 Except as otherwise provided herein or in the Declaration, 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.

6.10.2 In no event shall any Unit Owner impair, restrict or impede the use of the Common Elements by any other Unit Owner or anyone claiming by, through or under any other Unit Owner.

6.10.3 The Owner or Owners of any one or more Residential Units, which Unit or Units are the only Unit or Units serviced or benefited by any Common Element adjacent or appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such Units located on opposite sides of such hallway) and not affecting access in any material way or service (including, without limitation, heating, ventilating and air conditioning) to any other Unit or to any other portion of the Common Elements shall, to the extent permitted by applicable law and subject to the consent of the Board (which consent may be granted or withheld in the Board's sole discretions and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the exclusive right to use that portion of the Common Elements as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof; provided, however, that notwithstanding the provisions of Subsection 6.1 hereof, such Unit Owner or Owners, at their sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner or Owners exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner or Owners cease to exercise such exclusive right of use. The owner of any such Units which are Unsold Residential Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board.

6.10.4 Notwithstanding anything to the contrary contained herein, Sponsor and its designees shall have the right, until the tenth (10th) Anniversary of the First Closing, to use portions of the General Common Elements and the Residential Limited Common Elements, without charge, for exhibitions or for other promotional functions with respect to Sponsor's sales program or otherwise.

6.10.5 A Commercial Unit Owner shall not:

(a) permit its or its occupants' respective employees, agents, heirs, distributees, executors administrators, legal representatives, successors, and assigns, to enter or use the Building's residential lobby or other residential areas of the Building, nor have access or use of any kind of the Building's residential elevators, except in an emergency; or

(b) except in an emergency, permit, bring into, or have delivered from the street, any deliveries whatsoever, to its Commercial Unit through the residential lobby of the Building; and all deliveries of any kind on behalf of a Commercial Unit Owner or any other occupant of a Commercial Unit, shall be made through the Commercial Unit to which delivery is to be made.

6.11 Use of Commercial Units; Permits and Licenses.

6.11.1 Subject to the provisions of Section 6.12.2 and 6.12.3 hereof and the other provisions of these By-Laws, the Commercial Units may be used, occupied and operated for any legally permitted purpose, including, without limitation, retail, restaurant, banquet, banking, commercial, public event, office, hotel, residential or transient use, fraction or club ownership, storage, garage, and utility purposes. In addition, without limiting the foregoing, the Commercial Unit Owner shall have the right to subdivide and/or combine the Commercial Units to create additional Commercial Units and to amend the Declaration and Floor Plans as may be necessary in connection therewith.

6.11.2 No part of any Commercial Unit shall be used for any of the following uses:

(a) the repair, servicing or maintenance of any vehicles, machinery or equipment or the operation of an "automobile repair shop";

(b) funeral parlor;

(c) massage parlor or sex club or for the sale or display of pornographic or obscene material; or

(d) for any obscene or pornographic purpose or any other commercial sex establishment.

6.11.3 A Commercial Unit Owner shall not at any time use or occupy, or suffer or permit anyone to use or occupy its Commercial Unit, or do or permit anything to be done in its Commercial Unit in violation of the certificate of occupancy for its Commercial Unit or for the Building.

6.11.4 If any governmental license or permit, other than a certificate of occupancy, shall at any time be required for the proper and lawful conduct of business in a Commercial Unit then being conducted or to be conducted in that Commercial Unit or any portion thereof, then the subject Commercial Unit Owner, at it's own expense, shall duly procure and thereafter maintain such license or permit.

6.11.5 Each Commercial Unit Owner shall take all commercially reasonable measures to ensure that no excessive noise emanates from its Commercial Unit.

6.12 General Provisions as to Use.

6.12.1 No nuisance shall be allowed in the Property nor shall any use or practices be allowed in the Property which interfere with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation to maintain or repair such portion of the Property.

6.12.2 The Board may, in its discretion, grant permission for the use of a Unit for a use other than its original intended use, provided such use is permitted by law or court order, does not violate the then existing Certificate of Occupancy for such Unit, these By-Laws or the Declarat ion, and the Unit Owner thereof complies with all Legal Requirements. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Residential Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.12.3 No portion of a Residential Unit (other than the entire Unit) may be sold, conveyed, leased or subleased.

6.12.4 Sponsor or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold Residential Unit or any Commercial Units for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by law or court order, does not violate the then existing Certificate of Occupancy for such Unit, and the user of such Unit complies with all applicable Legal Requirements; (b) use any one or more Unsold Residential Units or any Commercial Units as models and sales and/or leasing offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable Legal Requirements; and (c) lease Unsold Residential Units to any party(ies). Commercial Units may be used for transient use.

6.12.5 Each Unit Owner shall promptly comply with all Legal Requirements applicable to its Unit. No Unit Owner shall use or permit the use of Hazardous Materials on, about, under, or in its Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property. As used herein, the term "Hazardous Materials" means petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law; and "Environmental Laws" means all federal, state and local laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

6.13 Right of Access.

6.13.1 Each Unit Owner grants a right of access to its Unit to the Board, the Managing Agent and/or any other person authorized by any of the foregoing, for the purposes, among others, of: making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property; curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in its Unit and having a reasonable likelihood of causing damage to another Unit or all or any part of the Common Elements; performing maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical services or other portions of the Common Elements within its Unit or elsewhere in the Building; reading, maintaining or replacing utility meters relating to the Common Elements, its Unit or any other Unit in the Building; or correcting any condition which violates the provisions of any Permitted Mortgage covering another Unit; provided that (a) requests for entry to any Unit are made not less than one day in advance and (b) any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by tenants and occupants of the Commercial Units or with the use of the other Units for their permitted purposes. In case of an "emergency", as defined in subsection 6.6.6, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner or tenant is present.

6.13.2 Each Unit Owner grants a right of access to its Unit and, in the case of a Residential Unit, any Residential Limited Common Elements appurtenant thereto, and the Board shall grant rights of access to the General Common Elements, to Sponsor and its contractors, subcontractors, agents and employees, for the purpose of complying with and fulfilling each such party's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised by such party, with respect to any Unit or Residential Limited Common Element, in such a manner as will not unreasonably interfere with the use of the Unit or Residential Limited Common Element for its or their permitted purposes.

6.14 Rules and Regulations. Annexed hereto as Exhibit A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Residential Units and Residential Limited Common Elements. The Board may from time to time modify, amend or add to such Rules and Regulations, except that (a) a Majority of Residential Unit Owners may overrule the Board with respect to any such modification, amendment or addition and (b) no such adoption, modification, amendment or addition affecting Sponsor or the Unsold Residential Units may be made unless agreed to, in writing, by Sponsor or its designee; and (c) any such adoption, modification, amendment or addition which adversely affects a Commercial Unit shall require the consent of the subject Commercial Unit Owner. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto shall be furnished by the Board to each Unit Owner not less than 30 days prior to the effective date thereof.

6.15 Real Estate Taxes, Water Charges and Sewer Rents.

6.15.1 Water and sewer services for the Building shall be supplied by the City of New York or other utilities servicing the Property. Unless and until water charges and sewer rents are billed directly to Unit Owners by the proper authority, the Board shall promptly pay such charges, together with all related sewer rents arising therefrom, and allocated as a Common Expense among the Unit Owners, or the Residential Unit Owners, as applicable, as reasonably

determined by the Board, based on Common Interests, and the Unit Owners shall be required to reimburse the Board, as a Common Charge, for their share of such charges and rents.

6.15.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Sponsor if Sponsor has paid such taxes) and allocate the cost thereof among all Units as follows: the Board will first allocate such taxes among the basic classes of Units on the basis of relative square footage (exclusive of Common Elements), thus allocating 65.0346% of such taxes to the Residential Units and 34.9654% of such taxes to the Commercial Units. The Board shall then allocate such percentage share among the individual Units in each such class, as applicable, in the ratio of the initial offering price for each Unit as set forth in Schedule A of the Offering Plan to the total initial offering prices of all Units in such class. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Residential Unit in a timely manner and as a result of such failure a lien is placed on the Condominium Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the non-payment of real estate taxes assessed against any other Units.

6.15.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Owner's Unit to the date of the closing of title to such Unit.

6.15.4 The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Residential Units on behalf of and as agent for the respective Residential Unit Owners thereof, but only with respect to such Residential Units as to which the respective Unit Owners thereof have, in writing requested and authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Residential Unit Owners making such request to the Board will share the costs in connection therewith in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the 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, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.16 Electricity. Electricity for each Residential Unit and each Commercial Unit shall be supplied through separate electric meters. Each Unit Owner shall be required to pay bills for electricity consumed or used in its Unit directly to the utility company. Consumption with respect to the Common Elements will be determined by a separate meter and allocated by the

Board among the Units or the Residential Units, as applicable, on the basis of percentage of Common Interest.

6.17 Gas. Gas for the Building shall be supplied through a single gas meter. The gas for the Commercial Units will be separately metered and paid by the Unit Owners of such Commercial Units. The charges for any other gas utilized at the Building shall be paid by the Board as a Common Expense and allocated among the Residential Units on the basis of percentage of Common Interests.

6.18 Steam. Steam for the Building shall be supplied solely to the Commercial Units, through a single steam meter, and will be paid for by the Unit Owners of such Commercial Units.

6.19 Dispute as to Utilities Charges. In the event that there is a dispute as to the accuracy of assessing the charges for a utility upon the basis of usage, and the disputing Unit Owners and/or the Board fail to agree on a manner to accurately allocate such costs, the matter shall be determined by Arbitration.

6.20 Remedies for Violations of By-Laws or Rules and Regulations by Unit Owners.

6.20.1 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 Board the right, in addition to any other rights set forth in these By-Laws or the Declaration, (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any matter of trespass, and/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, provided that the Board gives the Unit Owner notice (which may be by telephone or telegram) that such violation exists, that repairs or replacements are necessary and that the Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.20.2 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 Sponsor or its designee shall give to Sponsor and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.21 Estoppel Certificates. Any Commercial Unit Owner may request from the Board for the benefit of a prospective purchaser, lender or Occupant, or otherwise, a statement: showing the amount of unpaid General Common Charges pertaining to such Unit Owner; stating whether there exists any known default under the Declaration or these Condominium By-Laws by the requesting Person, and if there are known defaults, specifying the nature thereof; stating the date and recording information of any amendments to the Declaration and these By-Laws,

and stating whether the Declaration and these By-Laws are in full force and effect; and the Board shall provide such statement within ten (10) Business Days after request therefor. The Board shall be entitled to charge the requesting Person a reasonable fee for preparing and rendering said statement. Any Permitted Mortgagee may request a similar statement with respect to a Unit upon which it holds a Permitted Mortgage of which the Board has been duly given notice, with any reasonable charge therefor to be paid by the applicable Unit Owner. From time to time, the Board may request a statement from each Commercial Unit Owner, that, except as may be otherwise specified, the Board is not in default under any of its obligations under the Declaration or these By-Laws, and such other reasonable information as may be reasonably requested. The addressee of any such statement shall be entitled to rely thereon; and each statement delivered pursuant to this Section 6.21 shall act as a waiver of any claim between the addressee and the Board or Person furnishing such statement to the extent such claim is based upon facts contrary to those asserted in the statement and to the extent the claim is asserted against a bona fide encumbrancer or purchaser for value without knowledge of facts to the contrary of those contained in the statement, and who has acted in reasonable reliance upon the statement provided, however, that: (i) the issuance of such statement shall in no event subject the Board to any liability for the negligent or inadvertent failure of the Board to disclose correct and/or relevant information; and (ii) such issuance shall not be construed to waive any rights of the issuer with respect to any audit of or adjustments to General Common Charges as provided for in the Condominium Documents, or to challenge acts committed by a Unit Owner for which approval by or consent of the Board was required but not sought or obtained.

ARTICLE 7

MORTGAGES

7.1 Notice to Board. Each Unit Owner shall have the right to mortgage its Unit, subject only to the terms and conditions set forth in this Article 7. A Residential Unit Owner who mortgages its Unit, or the holder of such mortgage, shall notify the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board, and such Unit Owner shall, prior to the making of such mortgage, satisfy all unpaid liens against its Unit, other than Permitted Mortgages. A Residential Unit Owner who satisfies a mortgage covering its Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. A Commercial Unit Owner may mortgage its Unit(s) without any restriction or limitation.

7.2 Notice to Mortgagees of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee of a Unit, the Board 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 any of the provisions of the Declaration or these By-Laws which, to the Board's knowledge, may then exist. The Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to any Permitted Mortgagee thereof, if so requested in writing by such Permitted Mortgagee; however, the Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of such default by its mortgagor, provided that the Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure.

7.3 Performance by Permitted Mortgagees. The Board shall accept payment of any sum of money or performance of any act by any Permitted Mortgagee of a Unit Owner 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.

7.4 Examination of Books. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium upon reasonable prior notice, at reasonable times on business days, but not more frequently than once a month.

7.5 Representatives of Mortgagees.

7.5.1 The holders of Institutional Mortgages constituting a majority of the outstanding principal amount of all Institutional Mortgages encumbering the Residential Units may, at their election, designate in writing to the Board one or more (but not more than three) representatives ("Residential Mortgagee Representatives"), which Residential Mortgagee Representatives shall be empowered to act on behalf of all holders of Institutional Mortgages encumbering the Residential Units with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. The holders of Institutional Mortgages encumbering the Commercial Units may, at their election, designate in writing to the Board the holder of the highest mortgage encumbering a Commercial Unit, or its designee, corporate or otherwise, as their representative (the "Commercial Mortgagee Representative"), which Commercial Mortgagee Representative shall be empowered to act on behalf of all holders of Institutional Mortgages encumbering the Commercial Units with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Residential Mortgagee Representatives or the Commercial Mortgagee Representative are so designated and notice thereof is given to the Board, the act of any such Representative (or a majority of such Representatives, if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages encumbering the Residential Units or the Commercial Units, respectively. As used herein, the term "Institutional Mortgage" means any first mortgage covering a Unit or Units, (a) which is a Permitted Mortgage or a mortgage encumbering a Unit then owned by Sponsor or its designee, and (b) the initial holder of which is (i) Sponsor or its designee, (ii) a savings bank, savings and loan association, bank, trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a Federal, state, municipal, teachers', union or corporate employee, welfare, pension or retirement fund or system. The Residential Mortgagee Representatives and Commercial Mortgagee Representatives are sometimes referred to collectively herein as the "Mortgage Representatives."

7.5.2 Any designation of a Residential Mortgagee Representative or Commercial Mortgagee Representative shall remain effective until a subsequent designation is made pursuant to the provisions hereof and notice of such subsequent designation is given to the Board.

7.6 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any Mortgagee shall be required with respect to any determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Sales and Leases of Units. No Residential Unit Owner (other than Sponsor or its designee) may sell or lease its Unit except by complying with the provisions of this Article 8 and, specifically, this Section 8.1. Subject to the terms of Section 8.7 hereof, each Residential Unit Owner may sell its Unit or lease its Unit for terms of one year or more only (or for such other period of time as may be determined by the Unit Owners pursuant to an amendment of this provision in accordance with Section 13.1).

8.1.1 Subject to the terms of Section 8.8, any contract to sell a Residential Unit together with its appurtenant Common Interest, or any lease (or lease renewal) of a Residential Unit (collectively, the "Sale Agreement or Lease") shall contain the following provision: "This Agreement, and the rights and obligations of the parties hereunder, are hereby expressly subject to the right of first refusal of the Board of Managers of The Setai Condominium Residences at 40 Broad Street in respect of the transaction described herein, pursuant to the terms of Article 8 of the By-Laws of The Setai Condominium Residences at 40 Broad Street." (The Residential Unit Owner who has entered into a Sale Agreement or Lease is herein referred to as the "Offeree Unit Owner" and the prospective purchaser or tenant is herein referred to as the "Outside Offeror.")

(a) Promptly after a Sale Agreement or Lease has been fully executed, the Offeree Unit Owner shall send written notice thereof to the Board, by certified or registered mail, return receipt requested, or by reputable courier providing overnight delivery; such notice shall be accompanied by a fully completed application package, which the Offeree Unit Owner shall obtain from the Managing Agent, together with a fully executed duplicate original of the Sale Agreement or Lease and any and all related agreements, containing all of the terms offered in good faith by the Outside Offeror. The giving of such notice to the Board shall constitute an offer by the Offeree Unit Owner to sell its Unit, together with its appurtenant Common Interest, or to lease its Unit, as the case may be, to the Board, or its designee, (as the representative of all Residential Unit Owners), upon the same terms and conditions as contained in such Sale Agreement or Lease, and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board (as the representative of all Residential Unit Owners), that such Sale Agreement or Lease is bona fide in all respects and contains the complete terms of the transaction. The Offeree Unit Owner shall promptly submit in writing such further information with respect thereto as the Board may reasonably request. Not later than 20 days after receipt of such information, the Board may elect, by sending written notice, by certified or registered mail, return receipt requested, or by nationally recognized overnight courier, to such Offeree Unit Owner before the expiration of such 20 day period either 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), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Sale Agreement or Lease, as such terms and conditions may be modified or supplemented by any additional information provided by the Offeree Unit Owner in response to the Board's requests for information as provided above.

8.1.2 If the Board shall timely elect 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, title shall close or a lease shall be executed at the office of the attorneys for the Board, in accordance with the terms of the Sale Agreement or Lease within 60 days after the giving of notice by the Board of its election to accept such offer. However, if the closing date of the purchase or the commencement date of the term of the lease, as the case may be, set forth in the Sale or Lease Agreement shall be later than 60 days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Sale Agreement or Lease that are required to be performed by the Outside Offeror (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, or closing of title or acceptance of occupancy, as the case may be, and such closing of title or the commencement of the term of the Lease shall be on the date set forth in the Sale Agreement or Lease as the intended closing date or commencement date, as the case may be. If, pursuant to such Sale Agreement or Lease, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the Board 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 Board, or its designee, as the representative of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York. Real estate taxes (including water charges and sewer rents, if separately assessed), mortgage interest, if applicable, Common Charges and rent, if applicable, shall be apportioned between the Offeree Unit Owner and the Board, or its designee as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or its designee, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, as tenant, covering such Unit, for the rental and term contained in the Lease.

8.1.3 If the Board or its designee shall fail to accept such offer within 20 days after receipt of notice and all other documents and information to be provided under this Article 8, or waives such election in writing within such 20 day period, the Offeree Unit Owner shall have until (a) an additional 60 days after the earlier of (i) the expiration of such 20 day period or (ii) the Board's waiver in writing by the Board or (b) such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable to consummate the transaction set forth in the Sale Agreement or Lease. In the event the Offeree Unit Owner shall not, within such 60 day period (or by such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable), so consummate the transaction, or should the terms of the Sale Agreement or Lease be amended or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Offeree Unit Owner, then the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4 Any deed to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the provisions of the Declaration, these By-Laws and the Rules and Regulations, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.1.5 Any Lease to an Outside Offeror shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the

prior consent in writing of the Board, that the tenant shall not assign its interest in such Lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board 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 a default by or caused by such tenant under any of the provisions of these By-Laws; or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York, the Declaration, these By-Laws or otherwise. Such Lease shall also provide that it is and shall be subject and subordinate to the Declaration, these By-Laws and the Rules and Regulations.

8.1.6 Except as hereinbefore set forth, the form and substance of any such Lease executed by the Board or an Outside Offeror shall be the then current form of lease approved by the Board (as the same may be changed from time to time). Any Lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the demised premises without the consent of the landlord and without paying to the landlord any portion of the rent received from the subtenant.

8.1.7 If an Offeree Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock or if an Offeree Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or other entity, in each case, other than through any recognized national securities exchange or "over-the-counter" market, which results in a change in the majority beneficial or legal ownership of such entity, shall also subject the Unit owned by such entity to the requirement that the Unit first be offered to the Board, as described in this Section 8.1.

8.1.8 Any purported sale or lease of a Unit in violation of this Section 8.1 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject or evict the purported purchaser or tenant, as the case may be, in the name of such Unit Owner as the purported seller or landlord, as the case may be. Such Unit Owner shall reimburse the Board for all expenses (including, without limitation, attorneys' fees and expenses) incurred in connection with such proceedings, promptly upon demand therefor. In no event shall any purported sale or lease of a Unit in violation of this Section 8.1 release the Unit Owner who is the purported seller or lessor, as the case may be, from any of its obligations under the Declaration or these By-Laws, whether or not such sale or lease is voided by the Board.

8.1.9 Consent of Unit Owners to Purchase or Lease of Units by Board. Subject to the remaining provisions of these By-Laws and the Declaration, the Board may not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a majority in interest of the Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. Any such lease shall be in the form and substance then approved by the Board (as the same may be changed from time to time), including provisions such as a prohibition on assignment or subletting. The Board shall have the right to release or waive such option without the prior approval or a vote of the Unit Owners.

8.2 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit without including therein 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 appurtenant Common Interest of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.3 Release by Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Unit, such Unit, together with its appurtenant Common Interest, may be sold, conveyed or leased in accordance with the Sale Agreement or Lease and the other information supplied by the Offeree Unit Owner to the Board pursuant to Section 8.1 hereof, subject to the provisions of subsection 8.1.3. The Board may establish reasonable fees for its consideration of any right of first refusal, which fees shall be payable by the selling or leasing Unit Owner (but not Sponsor or its designee), as the case may be, to the Managing Agent.

8.4 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary or any other officer of the Condominium stating that the provisions of 8.1 have been satisfied by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board and that, as a result thereof, the rights of the Board thereunder have terminated, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith.

8.5 Financing of Purchase, or Refinancing, of Units by Board. The purchase of any Unit together with its appurtenant Common Interest, by the Board or its designee, on behalf of all Unit Owners, may, at the option of the Board, be made from the funds deposited in the capital and/or expense accounts of the Board by or on behalf of Unit Owners. The Board may levy an assessment against each Unit Owner, in proportion to its respective Common Interest, as an additional Common Charge, and/or the Board, in its discretion, may finance the acquisition of such Unit and subsequently refinance such Unit or refinance any loan secured by or relating to the Building Manager's or Resident Manager's Unit (on such terms and in such amount(s) as the Board determines); provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Condominium Property (except to the extent permitted by law) other than the Unit to be purchased or refinanced, as the case may be, together with its appurtenant Common Interest, and provided further that no Unit Owner other than the Residential Unit Owners shall be liable for the repayment of any such borrowing with respect to the Resident Manager's Unit.

8.6 Exceptions. In addition to any other exceptions herein before set forth, the provisions of Section 8.1 shall not apply to the lease, sale or conveyance of any Unit, together with its appurtenant Common Interest, by: (a) the Residential Unit Owner thereof to his or her spouse, domestic partner, adult children, parents, adult siblings or to any combination of them, or to a trust for the benefit of any one or more of them and/or any one or more minor children of

any of them (collectively, "family members"), or to any affiliate (an "affiliate" being defined as for purposes hereof as a person or entity that owns 50% or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, or an entity with respect to which such Unit Owner or owner of an interest in a Unit Owner owns 50% or more of the legal and beneficial interest) of the Residential Unit Owner thereof or the owner of any controlling interest in a Residential Unit Owner which is a corporation, partnership, limited liability company or other entity; (b) Sponsor or its designee with respect to Unsold Residential Units; (c) the 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 its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu of such foreclosure delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and its Unit shall be subject to, all of the provisions of this Article 8. In addition, the provisions of Section 8.1 shall not apply to any lease, sale or conveyance of (i) a Residential Unit to a Permitted Mortgagee or a purchaser at a foreclosure sale of a Permitted Mortgage in connection with a foreclosure or sale in lieu of same or (ii) a Commercial Unit or any part thereof, together with its Common Interest.

8.7 Gifts, Devises and Intestate Transfers. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will, or have his or her Unit pass by intestacy, without complying with the provisions of 8.1, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the provisions of this Article 8.

8.8 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 Board or its designee, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Property as herein provided.

8.9 Payment of Assessments. No Unit Owner shall be permitted to sell, convey, mortgage, pledge, hypothecate or lease its Unit unless and until it shall have paid in full to the Board all unpaid Common Charges and other amounts required by the Board to be paid and theretofore assessed by the Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against its Units, other than Permitted Mortgages. Each Unit Owner shall notify the Managing Agent at least five business days prior to the closing of any of the aforementioned transactions for confirmation of any unpaid amounts.

8.10 Mortgage of Units. Subject to Article 7 and Section 8.10, each Unit Owner shall have the right to mortgage its Unit without restriction.

ARTICLE 9

CONDEMNATION

9.1 In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements affected by such

taking. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $2,500,000, such award shall be payable to the Insurance Trustee (as defined in Section 12.7 hereof) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be: (a) borne and shared by all Unit Owners with respect to any taking of General Common Elements pro rata in accordance with their respective Common Interests percentages; and (b) borne and shared by all Residential Unit Owners with respect to any taking of the Residential Limited Common Elements pro rata in accordance with their respective Common Interests percentages; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if 75% or more of the Residential Limited Common Elements and/or General Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless 75% or more of all affected Unit Owners (including Sponsor or its designee, if they shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration 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 sale and net proceeds of any condemnation awards shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owners, and the third chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days after the date notice is given of such taking. Any dispute between the Board and a Unit Owner under this Article 9 shall be settled by Arbitration (as provided in Article 11).

ARTICLE 10

RECORDS AND AUDITS

10.1 Records. The Board (or the Managing Agent) shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners, and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges and other amounts required by the Board to be paid in respect of 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 or an independent certified public accounting firm, shall be submitted by the Board to all Unit Owners, and to all Permitted Mortgagees of Units, who have requested the same in writing. The cost of such report submitted by the Board shall be paid by the Unit Owners as a Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans (as such term is defined in the Offering Plan), as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours and upon reasonable prior notice.

ARTICLE 11

ARBITRATION

11.1 General Procedure. Except as may otherwise be expressly provided in these By-Laws or the Declaration, any arbitration provided for in these By-Laws or the Declaration ("Arbitration") shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereto, in accordance with its rules then in effect; the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction; provided that, in the case of Arbitration of issues arising under Section 6.4 and 6.5, any arbitrator shall be a real estate professional, having 10 or more years experience in the field of Manhattan residential real property. Notwithstanding the foregoing, any Arbitration held pursuant to the Declaration or these By-Laws with respect to a dispute which arose prior to the first annual meeting of Unit Owners, shall be non-binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any Arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within 10 days after his or her appointment.

11.2 Costs and Expenses. The fees, costs and expenses of the arbitrator shall be borne by the losing party in the Arbitration or, if the position of neither party to a dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the parties to the dispute. Each disputant shall also bear the fees and expenses of its counsel and expert witnesses. Subject to the foregoing, all costs and expenses paid or incurred by the Board in connection with any Arbitration held hereunder (including, without limitation, the fees and expenses of counsel and expert witnesses) shall constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 Consents. Wherever the consent, approval or satisfaction of Sponsor or its designee is required under these By-Laws or the Declaration, such consent, approval or satisfaction shall not be required when there are no remaining Unsold Residential Units.

12.2 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, regardless of the number of violations or breaches thereof which may occur.

12.3 Captions. The index hereof and 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.

12.4 Conflict. In the event the provisions of these By-Laws or the provisions of the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Certain References.

12.5.1 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.

12.5.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these By-Laws in their entirety and not to the particular provision in which the terms are used.

12.5.3 Unless otherwise stated, all references herein to Articles, Sections, subsections, subparagraphs or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.5.4 Unless otherwise expressly stated herein to the contrary, all references herein to dollar amounts shall be adjusted from time to time, after the date this Declaration is entered into, to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. The term "CPI Increase Factor" as used herein shall mean an increase proportionate to any increase in the cost of living from and after January 1, 2004, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Board.

12.6 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.

12.7 Insurance Trustee. The Insurance Trustee shall be a bank or trust company having an office located in the City of New York, designated by the Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a commercial bank or trust company having an office located in The City of New York and having a capital surplus and undivided profits of $500,000,000 or more, subject to increase by the CPI Increase Factor. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York.

12.8 Successors and Assigns. The rights and obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the express consent of Sponsor or its designee, any transferee of two or more of the then Unsold Residential Units. Subject to the foregoing, Sponsor or its designee shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interests herein, whether by merger, consolidation, lease, assignment or otherwise.

12.9 Covenant of Further Assurances.

12.9.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, 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 any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.9.2 If any Unit Owner or any other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action which such Unit Owner or other party is required to perform pursuant to these By-Laws, then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, on behalf of such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be.

ARTICLE 13

AMENDMENTS TO BY-LAWS

13.1 Amendments by Unit Owners.

13.1.1 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee),

any Unsold Residential Units, or the Commercial Units or the Commercial Unit Owners: (a) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting only the Residential Units, or the Residential Unit Owners, may be amended, modified, added to or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any; (b) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting only the Commercial Units or the Commercial Unit Owners may be amended, modified, added to or deleted by the affirmative vote of 66-2/3% in number and in Common Interest of all Commercial Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Commercial Mortgagee Representative, if any; and (c) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting the General Common Elements or all Unit Owners, may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any, and the Commercial Mortgagee Representative, if any; and provided in each of the foregoing cases, however, that the permitted use(s) of a Unit or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby.

13.1.2 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Residential Units, or the Commercial Units or the Commercial Unit Owners, each duly adopted amendment, modification, addition or deletion to the Declaration and By-Laws, shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Residential Unit Owners, the Commercial Unit Owners or all Unit Owners, as the case may be, and the Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact and shall be effectuated by an instrument recorded in the City Register's Office and the same shall not be effective until so recorded.

13.2 Amendments Affecting Sponsor or its Designee.

13.2.1 Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of the Declaration, these By-Laws or the Rules and Regulations shall be effective in any way against: (a) Sponsor or its designee, for so long as Sponsor or its designee is the owner of one or more Units, or any Unsold Residential Unit, unless Sponsor or its designee, as applicable, has given its prior written consent thereto, or (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Residential Unit unless such holder has given its prior written consent thereto.

13.2.2 If the number of rooms in an Unsold Residential Unit is changed, or the size and/or number of Unsold Residential Units is changed (whether as a result of a subdivision or combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all in accordance with Article 9 of the Declaration, then Sponsor or its designee shall have the right to execute, or (upon its request) to require any

other Residential Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Residential Unit or in the size and/or number of Unsold Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests in the Common Elements resulting therefrom, all without the approval of the Board, any other Unit Owners or the Residential Mortgagee Representative(s), if any, or Commercial Mortgagee Representative(s), if any.

13.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of Sections 6.1, 6.2.2 or 6.4, Article 7, or clauses (d) and (e) and the second sentence of Section 8.7 of these By-Laws 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.

13.4 Amendments Affecting Commercial Units.

13.4.1 If the number of rooms, the layout or the size of one or more Commercial Unit(s) is changed and/or the percentage interest in the Common Elements appurtenant to such Commercial Unit(s) is reapportioned (whether as a result of a subdivision or combination of such Commercial Unit(s) or the alteration of boundary walls between such Commercial Units, or otherwise) among any newly created or constituted Commercial Units as a result thereof, then the Unit Owner(s) of such Commercial Unit(s) shall have the right to execute, or (upon its request) to require any other Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as such Commercial Unit Owner(s) deems appropriate to effectuate the same) reflecting such change in the number of rooms, the layout or the size of such Commercial Unit(s) and/or the subdivision or combination of Commercial Units and the reapportionment of the percentage interests in the Common Elements among such newly created or constituted Commercial Units, all without the approval of the Board, any other Unit Owners or the Residential or Commercial Mortgagee Representatives, if any.

13.4.2 Notwithstanding the foregoing, none of the Declaration, these By-Laws or the Rules and Regulations may be amended, modified or terminated in any manner which adversely affects a Commercial Unit or a Commercial Unit Owner without the consent of the affected Commercial Unit Owner.

13.5 Deemed Approval Provision. Notwithstanding anything to the contrary contained herein, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, these By-Laws or the Rules and Regulations is requested, then, provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within ten (10) Business Days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification), if such Unit Owner does not notify the sending

party in writing within ten (10) Business Days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification. The provisions of this Section 13.5 shall not apply to notices given to Sponsor or any other holder of Unsold Residential Units requesting the Sponsor's or such holder's consent to a proposed amendment or modification.

13.6 Consents of Sponsor and/or the Commercial Unit Owners. The provisions of: (a) this Article 13 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or its designee; and (b) Section 13.4.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Commercial Unit Owners.

EXHIBIT A

RULES AND REGULATIONS FOR RESIDENTIAL UNITS OF THE SETAI CONDOMINIUM RESIDENCES AT 40 BROAD STREET

1. The entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose by Unit Owners and their invitees other than the respective purposes for which they were intended.

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 landings of the Building 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 any Units of the Building.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, lobbies, elevators, vestibules, corridors, fire landings of or serving the Building.

4. No public hall or public elevator vestibule of the Building shall be decorated or furnished by any Unit Owner in any manner, except as otherwise expressly provided in the By-Laws.

5. Each Unit Owner shall keep his or her Unit (and any Residential Limited Common Element 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.

6. No window guards or other window decorations shall be used in or about any Unit, unless otherwise required by applicable Legal Requirements and as approved by the Board. However, each Residential Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven years lives or resides (even temporarily) in the Unit. Each such Residential Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Residential Unit. The Residential Unit Owner shall maintain all window guards installed in the Unit and shall not remove the same until permitted by applicable Legal Requirements and in any event, without full knowledge of the Managing Agent.

7. No radio, television or other aerial, satellite dish, disk or similar device shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of any Unit or anywhere in or on the Building, except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Board or the Managing Agent; nor shall anything be projected from any window of any Unit.

8. No heat, ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board; and no "window" air-conditioners of any kind shall be permitted.

9. All radio, television or other electrical or electronic equipment of any kind installed or used in any Unit shall comply with all rules, regulations, requirements and recommendations of the New York Board of Fire Underwriters and governmental or public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical or electronic equipment in such Unit Owner's Unit.

10. No mopeds, motorcycles, bicycles, scooters or similar vehicles shall be taken into or from the Building through the main Building entrance or be allowed in the lobby or in the passenger elevator, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, vestibules, corridors or other public areas of the Building. The service entrance is the only means by which bicycles should be transported in and out of the Building. Unit Owners or occupants of a Unit (including children) will be subject to a fine of $50 per person each time that they or their guests are found in the lobby with a bicycle, scooter or tricycle or wearing rollerblades.

11. No Unit Owner shall make or permit any disturbing or objectionable noises, odors or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners or their tenants or occupants. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph, stereo system, or radio or television set or other loudspeaker in such Unit Owner's Unit between midnight and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, renovation or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 4:00 P.M., unless such construction, renovation or repair work is necessitated by an emergency or is being performed by or on behalf of the owner of any Unsold Residential Units, by Sponsor or its designee, or by the Commercial Unit Owner (after obtaining the consent of Sponsor or the Board as applicable.

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 Unit unless the Board or the Managing Agent in each instance has expressly consented in writing. Such consent, if given, shall be revocable by the Board or Managing Agent in their sole discretion, at any time, with or without cause. Notwithstanding the foregoing, a Residential Unit Owner may keep as pets in his or her Unit not more than two domestic dogs, domestic cats, caged birds and fish, provided that such pets do not constitute a health hazard, unsanitary condition or nuisance to any other Unit Owner, tenant or occupant. Any pet constituting a nuisance shall be permanently removed from the Building within one week after notice from the Managing Agent. In no event shall a pet be permitted in any Unit without the prior written consent of the Board (which may be granted or denied in the sole discretion of the Board), nor shall any bird, reptile, or animal be permitted in any public elevator in the Building, other than the elevators designated by the Board or the Managing Agent of the Building for that purpose, or in any of the public portions of the Building, unless carried or on a leash. Any Unit Owner in the public portions of the Building with an animal that is unleashed and not carried shall be fined

$50. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Building or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps (or permits to be kept) any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Board, which agreement may set forth such other rules regarding pets as the Board shall deem suitable and require the Unit Owner to indemnify, defend and hold harmless the Building, the Board, all Unit Owners and the Managing Agent of the Building from all claims and expenses resulting from the acts or presence of such pet.

13. Service personnel, messengers and tradespeople visiting or residing in the Building may be required to use the service elevator for ingress and egress, and shall not use the main passenger elevator for any purpose, except that nurses in the employ of Unit Owners or their guests or tenants may use the main passengers elevator when accompanying the Unit Owner, guest or tenant.

14. All service and delivery persons will be required to use the service entrances to the Building. All packages, including, without limitation, those containing perishable items, delivered to Units by outside personnel must be delivered to the area therefor designated by the Board or the Managing Agent. Deliveries will be made from such area to individual Units only by Building personnel 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 Unit is not occupied or delivery is declined, the package will be held in the designated area until the resident or authorized person returns or requests delivery, except in the case of perishable items which will be held in the designated area for no longer than 24 hours. After said 24-hour period, the perishable item shall be disposed of by Building personnel. Building personnel will not be responsible for packages held in the package room for more than 72 hours. No large deliveries will be accepted for a Unit Owner (or occupant of a Unit) unless such Unit Owner (or occupant) has made prior arrangements with the Building staff.

15. Trunks and heavy baggage shall be taken in or out of the Building by the service elevator, and through the service entrance only.

16. No refuse shall be removed from the Units except at such times and in such manner as the Board or the Managing Agent may direct.

17. Water-closets and other water apparatus in the Building 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 Unit shall be repaired and paid for by the Owner of such Unit.

18. No occupant of the Building shall send any employee of the Building or of the Managing Agent out of the Building on any private business.

19. The agents of the Board or the Managing Agent, and any contractor or worker authorized by the Board or the Managing Agent and accompanied by an agent of the Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least

one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such 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 Board or the Managing Agent shall retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws or Declaration, and the Unit Owner has not furnished a key to the Board or the Managing Agent, then the Board or the Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Board or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (provided that during such entry reasonable care is given to the Unit Owner's property).

22. Complaints regarding Building services shall be made in writing to the Board or to the Managing Agent.

23. No Unit Owner or any of his or her agents, servants, employees, licensees 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.

24. If any key or keys are given or lent by a Unit Owner or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit, automobile, trunk or other item of personal property, the use of the key shall be at the sole risk of such Unit Owner, and neither the 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.

25. Nothing shall be done or kept in any Unit which would increase the rate of insurance of the Building or contents thereof, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his or her Unit 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.

26. Unit Owners shall comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority with respect to recycling of waste and refuse, including, without limitation, the separation of trash into "recyclable" and "non-recyclable" materials and/or categories of each of same. The Board may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by the Unit Owners for the disposal of designated recyclable materials and

the locations where designated recyclable materials shall be deposited. The Board may also establish other rules and regulations regarding the recycling and disposal of trash. Any costs incurred by the Board to enforce the rules and regulations of the Board or the requirements of applicable law regarding the recycling of trash against a Unit Owner, including, without limitation, legal fees, fines and penalties imposed by any government agency, shall be payable by the Unit Owner as additional Common Charges. Unit Owners will comply with the following procedures with respect to the disposal of refuse: (a) wrap dust, flour and powdered waste 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 designated refuse area; (d) crush into tight bundles all loose papers before placing the same in the designated refuse area; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive or otherwise hazardous nature therein. Any refuse not disposable by depositing same in the designated refuse area must be picked up directly from the Unit by Building personnel at such times and in such manner as the Board or the Managing Agent shall determine.

27. Unit Owners will comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority, including without limitation, those with respect to window guards and notices of emergency access and egress.

28. Except as otherwise expressly provided in the Bylaws and the Declaration, Unit Owners, their families, guests, service personnel, employees, agents, visitors or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

29. The Board shall have the right from time to time to relocate any portion of the Common Elements used by the Building for storage or service purposes.

30. Unless expressly authorized by the Board in each case, at least 80% of the floor area of each Unit that is directly above another Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

31. No Unit Owner, tenant or occupant of a Unit shall conduct any group tour, exhibition or open house of any Unit or its contents or any auction sale in any Unit, without the prior consent of the Board or the Managing Agent.

32. In the event that any Residential Unit is used for home occupation purposes or other purposes which are permitted by law or court order, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

33. Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Board, at any time by resolution of the Board. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

34. The Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Building when, in the

judgment of the Board, the Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, the Building or the preservation of good order therein, or the operation or maintenance of the Condominium, the Building or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration, waiver or addition in respect of any other Unit Owner or other occupant.

35. Notwithstanding any references to "Unit Owner" in these Rules and Regulations, the Rules and Regulations of the Condominium shall be binding upon all tenants, guests and other occupants of the Condominium. Unit Owners shall be responsible for enforcing compliance with, and liable for any violation of, the Rules and Regulations by members of their families, guests, invitees, tenants, employees, agents, visitors and any other occupants of their Units.

36. With respect to any Unit to which there is a Terrace or Garden appurtenant, the following additional rules and regulations shall apply: All furniture must be "patio/terrace" furniture which is rust-proof; any planting/landscaping must comply with all Legal Requirements. Plants may not exceed the total weight allowance of 100 pounds and must be planted in water-proof containers so as not to cause water leakage. Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Terraces and Gardens must be kept clean and free from snow, ice, leaves and debris and all screens and drains must be kept in good repair. The Unit Owner shall not remove any of the above items by putting them over the Terrace walls, but shall remove said items either through the apartment or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any Terrace or Garden wall, structure, railing or other temporary or permanent structure is permitted. No items, including but not limited to climbing equipment, bikes, pools, children's toys, etc., may be stored on any Terrace; any appropriate furniture including table, chair cushions and umbrellas may be left on the Terraces only if properly secured. No items can be placed on the Terrace parapet wall and/or railing. In no event shall any Unit Owner be permitted to enclose any Terrace (except to the extent that such Terrace was enclosed by Sponsor) or erect any structure on any Terrace or Garden. No portion of any Terrace may be painted, cemented or changed in any fashion from its original appearance. No carpeting may be placed on any Terrace. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed on any Terrace. No animals, which include but are not limited to dogs, cats, birds, are allowed on any Terrace.

37. There will be no barbecuing in the Units or in the Common Elements (including, without limitation, the Residential Limited Common Elements).

38. With respect to any sale or lease (or lease renewal) which, pursuant to the Bylaws, is subject to the Board's review and right of first refusal, the fee for any such sale or lease (or renewal of a lease) is $300, payable to the Managing Agent. Any such Unit Owner that has entered into or renewed a Sale Agreement or Lease with a tenant or prospective purchaser, and has not submitted such Sale Agreement or Lease to the Managing Agent will have 30 days from the date notified by the Managing Agent to submit the Sale Agreement or Lease. In the event

that any such Unit Owner does not submit such lease or lease renewal to the Board within such 30 day period, such Unit Owner shall be subject to a $500 fine and further action by the Board. The aforesaid amounts may be increased from time to time by the Board.

EXHIBIT 9

FORM OF 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 DOWN PAYMENTS

(Send this application to the reviewing attorney assigned to the subject plan.)

Re: The Setai Condominium Residences at 40 Broad Street
40 Broad Street, New York, New York 10004

File Number:_____

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name of Applicant_____

2. Address of Applicant_____

3. Name, Address, and Telephone Number of Applicant's Attorney (if any)_____

4. This is an application for
   return of down payment.
   forfeiture of down payment.
   other:_____

5. The project is [ ] a conversion of occupied premises.
   [ ] newly constructed or rehabilitated.
   [ ] vacant (as is).

6. The project is structured as
   [ ] a cooperative.
   [ ] a condominium.
   [ ] a homeowners association.
   [ ] a time share.
   [ ]other:_____

7. Name and Address of Sponsor: _____

_____

8. Name and Address of Escrow Agent: _____

_____

9. If down payments 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 down payments 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 down payments have been secured by a letter of credit:

(a) Name and address of bank which issued the letter of credit:

_____

_____

_____

_____

(b) Date of expiration of the letter of credit, if known:

_____

12. Plan information:

(a) Date of filing of plan:_____

(b) Plan

[ ] has been declared effective. Approximate date:
_____

[ ] has not been declared effective.

(c) If effective, the plan

[ ] has closed or the first unit has closed. Approximate date:
_____

[ ] has not closed.

[ ] don't know.

(d) Down payments 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 down payment(s):_____

(d) Total amount of down payment(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 10

FORM OF ESCROW AGREEMENT WITH RESPECT TO DEPOSITS

EXHIBIT B-25

ESCROW AGREEMENT

AGREEMENT made as of this ___ day of _____, 200__, between 40 Broad LLC ("SPONSOR"), as sponsor, and Kramer Levin Naftalis & Frankel LLP ("ESCROW AGENT"), as escrow agent.

WHEREAS, SPONSOR is the sponsor under an offering plan (the "Offering Plan") for The Setai Condominium Residences at 40 Broad Street, located at 40 Broad Street, New York, New York; and

WHEREAS, Kramer Levin Naftalis & Frankel LLP is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder (the "Regulations"); and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers of units from SPONSOR under the Offering Plan, pursuant to the terms of this agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers from and after the date hereof. The escrow account has been opened with Commerce Bank, NA., 317 Madison Avenue, New York, New York 10017. The account number is to be provided by Escrow Agent to Sponsor upon receipt.

1.2. The name of the account is "The Setai Condominium Residences at 40 Broad Street Escrow Account".

1.3. The following partners in ESCROW AGENT are the sole signatories on the account: Jay A. Neveloff, Jonathan H. Canter, James P. Godman, Paul S. Pearlman, Neil R. Tucker, Robert Heller, and Howard J. Rothman.

1.4. The escrow account shall be an interest-bearing account as disclosed in the Offering Plan.

1.5 The escrow account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1. All funds hereafter received from prospective 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 escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser to the order of "Kramer Levin Naftalis & Frankel LLP as escrow agent" for the Offering Plan for The Setai Condominium Residences at 40 Broad Street. Any instrument payable or

endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2. Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the Offering Plan, 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 purchase 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 escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the purchaser.

3. RELEASE OF FUNDS.

3.1. ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the Offering Plan as defined in the Attorney General's regulations. Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2. ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by both SPONSOR and the purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3. SPONSOR shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan or (b) all purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.4. If there is no written agreement between the parties to release the escrowed funds, 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 funds 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 has so notified ESCROW AGENT in accordance with such provisions.

4. RECORDKEEPING.

4.1. ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

4.2. 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.

4.3. ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1. ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2. A fiduciary relationship shall exist between ESCROW AGENT and purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR.

6.1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to ESCROW AGENT.

6.2. SPONSOR agrees that it shall not interfere with ESCROW AGENT's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT.

7.1. This Agreement shall remain in effect unless and until it is cancelled, by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All unsold units offered by SPONSOR pursuant to the Offering Plan have been sold and all sales transactions have been consummated.

7.2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 (a) or (b) above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

8.1. This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW.

9.1. This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

10.1. SPONSOR agrees that ESCROW AGENT's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. ESCROW AGENT'S RIGHTS.

11.1. ESCROW AGENT shall not be responsible to SPONSOR for any act or failure to act on its part except for its own willful default or gross negligence. ESCROW AGENT shall be automatically released by SPONSOR from all responsibility and liability under this Agreement upon ESCROW AGENT's distribution of deposits and payments in accordance with the provisions of this Agreement, GBL Section 352-e(2-b) and the Regulations.

11.2. SPONSOR hereby indemnifies and holds ESCROW AGENT harmless from any and all losses, damages, claims, liabilities, judgments and other costs and expenses of every kind and nature which may be claimed against or incurred by ESCROW AGENT by reason of its acceptance of, and/or its performance under, this Agreement (other than those ultimately determined to have arisen out of the willful misconduct or gross negligence of ESCROW AGENT), including, without limitation, attorneys' fees either paid to retained attorneys or amounts representing the fair value of legal services rendered to itself. The foregoing indemnification shall survive the termination of this Agreement.

11.3. As to SPONSOR, ESCROW AGENT shall be entitled to consult with and retain counsel selected by it (including any member of its firm) with respect to its duties as ESCROW AGENT and be reimbursed by SPONSOR for all reasonable fees and expenses of such consultation and retention. As to SPONSOR, ESCROW AGENT may act or refrain from acting in respect of any matter referred to herein by and with, and in full reliance upon, the advice of such counsel and, except in the case of its own willful default or gross negligence, ESCROW AGENT shall be fully protected in so acting or refraining from acting upon the advice of such counsel.

11.4. ESCROW AGENT or any member of its firm may act as counsel to SPONSOR in any dispute or question as to the disposition of the deposits or payments or in any dispute between SPONSOR or any purchaser with respect to any matter whatsoever, whether or

not ESCROW AGENT is then holding any deposits or payments of such purchaser and is continuing to act as ESCROW AGENT hereunder.

12. SEVERABILITY.

12.1. If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

13. ENTIRE AGREEMENT.

13.1. This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

KRAMER LEVIN NAFTALIS & FRANKEL LLP

By: _____, Partner

SPONSOR:

40 BROAD LLC

By: _____
Name:
Title:

EXHIBIT 11

CERTIFICATIONS

11A	Sponsor and Principals
11B	Sponsor's Architect
11C	Sponsor's Expert Concerning Adequacy of Budget
11D	Sponsor's Expert Concerning Adequacy of Common Charges Payable by the Commercial Unit Owners
11E	Sponsor's Expert Concerning Adequacy of Projected Annual Electricity Costs

40 BROAD LLC

c/o Zamir Equities
587 Fifth Avenue, 7th Floor
New York, New York 10017

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO SECTION 20.4(b) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

November 16, 2006

New York State Department of Law
120 Broadway
New York, New York 10271
Att.: Investment Protection Bureau

Re: The Setai Condominium Residences at 40 Broad Street
40 Broad Street
New York, New York 10004

The undersigned certify as follows:

We are the sponsor and the principals of the sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for complying 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:

1. set forth the detailed terms of the transaction and be complete, current and accurate;

2. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

3. not omit any material fact;

4. not contain any untrue statement of a material fact;

5. not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

6. not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

7. not contain any representation or statement which is false, where we:

(a) knew the truth;

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

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

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

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

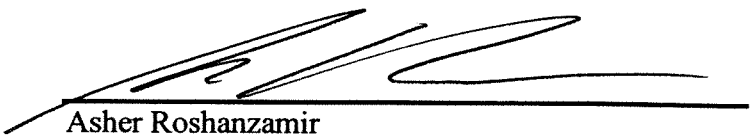
40 BROAD LLC

By: _____
Name: Joshua Roshanzamir
Title: Vice President

Sworn to before me this
16th day of November, 2006

Noah T Bileuker
Notary Public

Noah T. Bileuker
Notary Public, State of New York
Qualified in New York County
No. 02BI6097780
Commission expires: 8/25/07

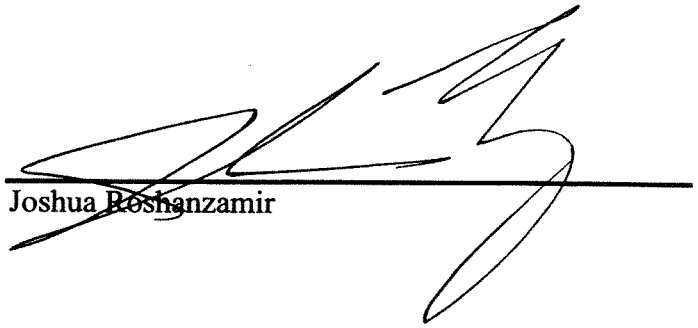


Asher Roshanzamir

Sworn to before me this
16th day of November, 2006

Noah T Bilenker

Notary Public
Noah T Bilenker
Notary Public, State of New York
Qualified in New York County
No. 02BI6097780
Commission expires: 8/25/07



Joshua Roshanzamir

Sworn to before me this
16th day of November, 2006

Noah T Bilenker

Notary Public
Noah T. Bilenker
Notary Public, State of New York
Qualified in New York County
No. 02BI6097780
Commission expires: 8/25/07

KL3 2419233.3

EXHIBIT A-2

148 WEST 24TH STREET

NEW YORK, N Y 10011

AVINASH K. MALHOTRA ARCHITECTS

FAX: (212) 808 0908

TEL: (212) 808 0000

CERTIFICATION OF SPONSOR'S ARCHITECT PURSUANT TO SECTION 20.4(c) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

September 19, 2006

New York State Department of Law
120 Broadway
New York, New York 10271
Att.: Investment Protection Bureau

Re: THE SETAI CONDOMINIUM RESIDENCES AT
40 BROAD STREET
40 Broad Street, New York, New York 10004

The undersigned, a licensed architect in the State of New York, hereby certifies as follows:

The sponsor of the condominium offering plan for the captioned property (the "Property") retained our firm to prepare a report describing the construction of the Property (the "Report"). We have examined the building plans and specifications, dated November 10, 2005, that were prepared by Avish K. Malhorta, Architects, that were submitted on December 28, 2005 to the Department of Buildings and prepared the Report, dated February 1, 2006 and revised August 23, 2006, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

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

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire Property as it will exist upon completion of the construction, provided the construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical

(iii) condition of the Property as it will exist upon completion of the construction, provided that the construction is in accordance with the plans and specifications that we examined;

(iv) does not omit any material fact;

(v) does not contain any untrue statement of a material fact;

(vi) does not contain any fraud, deception, concealment, or suppression;

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

(viii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

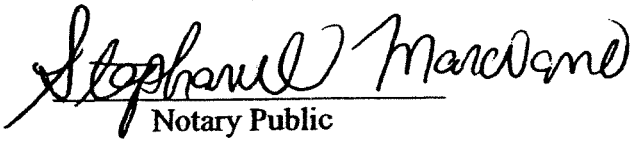
We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the Property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the Property.

AVINASH K. MALHOTRA ARCHITECTS



AVINASH K. MALHOTRA
PRINCIPAL

Sworn to before me this
19 day of September, 2006.



Notary Public

STEPHANIE MARCIANO
Notary Public, State of New York
Lic. # 01MA6014851
Qualified in Queens County
Commission Expires Oct. 19, 2006



6 East 43rd Street • New York, NY 10017 • Tel: 212-682-7373 • Fax: 212-682-5441

EXPERT'S CERTIFICATION REGARDING ADEQUACY OF BUDGET

September 20, 2006

New York State Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: THE SETAI CONDOMINIUM
RESIDENCES AT 40 BROAD STREET
40 BROAD STREET
NEW YORK, NEW YORK 10004

Gentlemen:

The Sponsor of the Condominium Offering Plan of the above captioned property retained our firm to prepare Schedule B containing projections of income and expenses of the Condominium for the first year of operation. Our experience in this field includes the management of over 100 cooperatives and/or condominiums, throughout Manhattan and Queens, and we have been in business for over twenty-five years.

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

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

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

We certify that the Schedule:

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

(ii) affords potential investors, purchasers and participants an adequate basis on which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

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

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

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

(vii) does not contain any representation or statement which is false, where we; (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income 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.

By: _____
Marc Kotler, Vice President

Sworn to before me this
31st day of October, 2006

Notary Public

DARYN L. CRENSHAW
Notary Public, State of New York
No. 01CR6079515
Qualified in New York County
Commission Expires August 26, 20 10



6 East 43rd Street • New York, NY 10017 • Tel: 212-682-7373 • Fax: 212-682-5441

EXPERT'S CERTIFICATION REGARDING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNER

September 20, 2006

New York State Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: THE SETAI CONDOMINIUM
RESIDENCES AT 40 BROAD STREET
40 BROAD STREET
NEW YORK, NEW YORK 10004

The Sponsor of the Condominium Offering Plan for the captioned property retained our firm to prepare Schedule B, which includes projections of common charges payable by the owner of the Commercial Unit. Our experience in this field includes the management of over 100 cooperatives and/or condominiums, throughout Manhattan and Queens, and we have been in business for over twenty-five years.

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

We have reviewed the Schedule as it impacts upon the Commercial Unit and investigated the facts underlying it with due diligence in order to form a basis for this certification. We have also relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for common charges payable by the owner of the commercial unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such Commercial Unit for the projected first

year of condominium operation, and that the allocation of common charges attributable to such Commercial Unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owner of the Commercial Unit:

(i) set forth in detail the projected common charges for the Commercial Unit for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the 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 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.

By: _____
Marc Kotler, Vice President

Sworn to before me this
21st day of September, 2006

Notary Public

DAREN L. CRENSHAW
Notary Public, State of New York
No. 01CR6079515
Qualified in New York County
Commission Expires August 26, 20 10

George Langer
Associates
Consulting
Engineers

134 W. 29th Street
N.Y., N.Y. 10001
Tel (212) 633-0590
Fax (212) 627-1837

CERTIFICATION OF SPONSOR'S EXPERT ON CONDOMINIUM UTILITY BUDGET ESTIMATE

September 19, 2006

New York State Department of Law
120 Broadway
New York, New York 10271

Attention: Investment Protection Bureau

Re: 40 Broad Street
GLA Project No. 2389-00

The undersigned, George Langer is a Professional Engineer in the State of New York. George Langer Associates has been providing engineering services for condominium, cooperative and residential properties over the course of the past 36 years.

The sponsor of the condominium offering plan for the above captioned property retained us to estimate utility costs for the offering plan containing projections of estimated expenses of the Condominium for the year July 1, 2007 through June 30, 2008, the projected first year of condominium operation.

Our relevant experience in the field has provided mechanical engineering services for the following projects:

252 Seventh Avenue

45 Wall Street

100 John Street

17 Battery Place

99 John Street

90 Washington Street

22 River Terrace

15 Cliff Street

15 Broad Street

We also have relied on our experience in providing engineering services for mixed use and residential buildings in Manhattan.

We certify that the Schedule:

(i) sets forth in detail the projection of expenses for the projected first year of condominium operation;

(ii) does not intentionally omit any material fact;

(iii) does not contain any untrue statement of a material fact;

(iv) does not contain any fraud, deception, concealment, or suppression;

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

(vi) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

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

George Langer Associates

By: _____
George Langer, P.E.



Sworn to before me this 19th
day of September, 2006

Alice Nyaboga
Notary Public

ALICE NYABOGA
Notary Public, State of New York
No. 01NY6102766
Qualified in New York County
Commission Expires December 08, 2007

EXHIBIT 12

REAL PROPERTY LAW SECTION 339-KK

§ 339-kk Real Prop. 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 once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

EXHIBIT 13

LEAD PAINT REPORT AND BOOKLET

LEAD PAINT INSPECTION REPORT

REPORT NUMBER: 01/12/06 09:55

INSPECTION FOR: Newmark Construction

PERFORMED AT: 25th Floor
40 Broad Street
New York, N.Y.

INSPECTION DATE: 01/12/06

INSTRUMENT TYPE: R M D
MODEL LPA-1
XRF TYPE ANALYZER
Serial Number: 01379

ACTION LEVEL: 1.0 mg/cm**2

OPERATOR LICENSE: Ct. Lic. #001381
E.P.A. Certificate #NY-08-022006-048

STATEMENT: Wall A faces Broad Street.

SIGNED _____ DATE 1/22/06

SEQUENTIAL REPORT OF LEAD PAINT INSPECTION

Inspection Date: 01/12/06
Report Date: 1/12/2006
Abatement Level: 1.0
Report No. 01/12/06 09:56
Total Readings: 30
Job Started: 01/12/06 09:55
Job Finished: 01/12/06 10:49

25th Floor
40 Broad Street
New York, N.Y.

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1		CALIBRATION								1.2	Std
2		CALIBRATION								0.9	Std
3		CALIBRATION								1.0	Std
4		CALIBRATION								0.0	Std
5		CALIBRATION								0.0	Std
6		CALIBRATION								0.0	Std
7	001	Open Area	A	Column		Rgt L column	I	Concrete	White	-0.1	QM
8	001	Open Area	A	Window		Rgt Sash	I	Aluminum	Brown	-0.4	QM
9	001	Open Area	A	Wall	U	Ctr	I	Sheetrock	White	-0.1	QM
10	001	Open Area	C	Wall	U	Lft	I	Sheetrock	White	-0.2	QM
11	001	Open Area	D	Wall	U	Ctr	I	Sheetrock	White	-0.1	QM
12	002	Stairwell B	A	Wall	U	Ctr	I	Sheetrock	White	0.0	QM
13	002	Stairwell B	B	Wall	U	Ctr	I	Sheetrock	White	0.1	QM
14	002	Stairwell B	C	Wall	U	Lft	I	Sheetrock	White	-0.2	QM
15	002	Stairwell B	D	Wall	U	Ctr	I	Concrete	White	0.2	QM
16	002	Stairwell B	A	Wall	L	Ctr	I	Sheetrock	Gray	-0.2	QM
17	002	Stairwell B	D	Wall	L	Ctr	I	Concrete	Gray	0.1	QM
18	002	Stairwell B	A	Ceiling			I	Sheetrock	White	0.2	QM
19	002	Stairwell B	C	Stairs		Rgt Treads	I	Concrete	Gray	-0.2	QM
20	002	Stairwell B	A	Door		Lft U Rgt	I	Steel	Blue	-0.1	QM
21	002	Stairwell B	A	Door		Lft Rgt jamb	I	Steel	Blue	0.0	QM
22	003	Stairwell A	A	Wall	U	Rgt	I	Sheetrock	White	0.1	QM
23	003	Stairwell A	B	Wall	U	Ctr	I	Sheetrock	White	-0.1	QM
24	003	Stairwell A	C	Wall	U	Lft	I	Sheetrock	White	0.0	QM
25	003	Stairwell A	D	Wall	U	Ctr	I	Concrete	White	0.0	QM
26	003	Stairwell A	C	Floor			I	Concrete	Gray	0.1	QM
27	003	Stairwell A	A	Ceiling			I	Sheetrock	White	-0.1	QM
28	003	Stairwell A	C	Door		Rgt U Rgt	I	Steel	Orange	0.0	QM
29	003	Stairwell A	C	Door		Rgt Lft jamb	I	Steel	Orange	-0.1	QM
30	003	Stairwell A	C	Riser pipe		Lft	I	Steel	Red	-0.2	QM

---- End of Readings ----

SEQUENTIAL REPORT OF LEAD PAINT INSPECTION FOR:

Inspection Date: 01/12/06
Report Date: 1/12/2006
Abatement Level: 1.0
Report No. 01/12/06 10:51
Total Readings: 24
Job Started: 01/12/06 10:51
Job Finished: 01/12/06 11:12

23rd Floor
40 Broad Street
New York, N.Y.

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1	001	Open Area	C	Column	Rgt	L column	I	Concrete	White	0.0	QM
2	001	Open Area	A	Wall	U Lft		I	Sheetrock	White	-0.1	QM
3	001	Open Area	C	Wall	U Lft		I	Sheetrock	White	-0.1	QM
4	001	Open Area	D	Wall	U Ctr		I	Sheetrock	White	-0.2	QM
5	001	Open Area	B	Door	Rgt	U Rgt	I	Steel	White	-0.1	QM
6	001	Open Area	B	Door	Rgt	Rgt jamb	I	Steel	White	-0.1	QM
7	002	Stairwell B	A	Wall	U Rgt		I	Sheetrock	White	0.0	QM
8	002	Stairwell B	B	Wall	U Ctr		I	Sheetrock	White	0.1	QM
9	002	Stairwell B	C	Wall	U Ctr		I	Concrete	White	-0.2	QM
10	002	Stairwell B	D	Wall	U Ctr		I	Concrete	White	0.0	QM
11	002	Stairwell B	C	Ceiling			I	Sheetrock	White	-0.1	QM
12	002	Stairwell B	C	Stairs	Rgt	Treads	I	Concrete	Gray	-0.2	QM
13	002	Stairwell B	A	Door	Lft	U Rgt	I	Steel	Orange	-0.2	QM
14	002	Stairwell B	A	Door	Lft	Rgt jamb	I	Steel	Orange	0.2	QM
15	003	Stairwell A	A	Wall	U Ctr		I	Concrete	White	-0.2	QM
16	003	Stairwell A	B	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
17	003	Stairwell A	C	Wall	U Lft		I	Sheetrock	White	0.0	QM
18	003	Stairwell A	D	Wall	U Ctr		I	Concrete	White	0.1	QM
19	003	Stairwell A	A	Ceiling			I	Sheetrock	White	0.2	QM
20	003	Stairwell A	A	Stairs	Rgt	Treads	I	Concrete	Gray	0.2	QM
21	003	Stairwell A	C	Floor			I	Concrete	Gray	-0.1	QM
22	003	Stairwell A	C	Riser pipe	Lft		I	Steel	Red	-0.1	QM
23	003	Stairwell A	C	Door	Rgt	U Rgt	I	Steel	Orange	-0.1	QM
24	003	Stairwell A	C	Door	Rgt	Lft jamb	I	Steel	Orange	0.0	QM

---- End of Readings ----

SEQUENTIAL REPORT OF LEAD PAINT INSPECTION FOR:

Inspection Date: 01/12/06
Report Date: 1/12/2006
Abatement Level: 1.0
Report No. 01/12/06 11:14
Total Readings: 30
Job Started: 01/12/06 11:14
Job Finished: 01/12/06 11:37

21st Floor
40 Broad Street
New York, N.Y.

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1	001	Confrnce Rm	A	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
2	001	Confrnce Rm	B	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
3	001	Confrnce Rm	C	Wall	U Rgt		I	Sheetrock	White	-0.1	QM
4	001	Confrnce Rm	D	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
5	001	Confrnce Rm	B	Column	Ctr	L column	I	Concrete	White	0.1	QM
6	001	Confrnce Rm	C	Door	Ctr	U Rgt	I	Wood	Stained	-0.1	QM
7	001	Confrnce Rm	C	Door	Ctr	Rgt jamb	I	Steel	White	-0.1	QM
8	002	West Hall	A	Wall	U Lft		I	Sheetrock	White	-0.1	QM
9	002	West Hall	B	Wall	U Lft		I	Sheetrock	White	-0.1	QM
10	002	West Hall	C	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
11	002	West Hall	D	Wall	U Lft		I	Sheetrock	White	-0.1	QM
12	002	West Hall	C	Door	Rgt	U Rgt	I	Steel	White	-0.1	QM
13	002	West Hall	C	Door	Rgt	Rgt jamb	I	Steel	White	0.0	QM
14	003	Stairwell A	A	Wall	U Ctr		I	Concrete	White	0.1	QM
15	003	Stairwell A	B	Wall	U Ctr		I	Sheetrock	White	-0.2	QM
16	003	Stairwell A	C	Wall	U Lft		I	Sheetrock	White	0.0	QM
17	003	Stairwell A	D	Wall	U Ctr		I	Concrete	White	0.1	QM
18	002	Stairwell A	A	Ceiling			I	Sheetrock	White	0.2	QM
19	003	Stairwell A	A	Stairs	Rgt	Treads	I	Concrete	Gray	-0.2	QM
20	003	Stairwell A	C	Riser pipe	Lft		I	Steel	Red	-0.1	QM
21	003	Stairwell A	C	Door	Rgt	U Rgt	I	Steel	Orange	0.0	QM
22	003	Stairwell A	C	Door	Rgt	Lft jamb	I	Steel	Orange	0.0	QM
23	004	Stairwell B	A	Wall	U Ctr		I	Sheetrock	White	0.0	QM
24	004	Stairwell B	B	Wall	U Ctr		I	Sheetrock	White	0.0	QM
25	004	Stairwell B	C	Wall	U Ctr		I	Concrete	White	-0.1	QM
26	004	Stairwell B	D	Wall	U Ctr		I	Concrete	White	-0.2	QM
27	004	Stairwell B	A	Ceiling			I	Sheetrock	White	-0.1	QM
28	004	Stairwell B	C	Stairs	Rgt	Treads	I	Concrete	Gray	-0.3	QM
29	004	Stairwell B	A	Door	Lft	U Rgt	I	Steel	Orange	0.0	QM
30	004	Stairwell B	A	Door	Lft	Rgt jamb	I	Steel	Orange	-0.1	QM

---- End of Readings ----

SEQUENTIAL REPORT OF LEAD PAINT INSPECTION FOR:

Inspection Date: 01/12/06
Report Date: 1/12/2006
Abatement Level: 1.0
Report No. 01/12/06 11:40
Total Readings: 28
Job Started: 01/12/06 11:40
Job Finished: 01/12/06 11:59

17th Floor
40 Broad Street
New York, N.Y.

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1	001	SW Cnr Off	A	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
2	001	SW Cnr Off	B	Wall	U Rgt		I	Sheetrock	White	0.1	QM
3	001	SW Cnr Off	C	Wall	U Rgt		I	Sheetrock	White	-0.1	QM
4	001	SW Cnr Off	D	Wall	U Ctr		I	Sheetrock	White	0.0	QM
5	001	SW Cnr Off	A	Ceiling			I	Accu. Tile	White	-0.1	QM
6	001	SW Cnr Off	A	Door	Lft	U Rgt	I	Steel	White	-0.1	QM
7	001	SW Cnr Off	A	Door	Lft	Rgt jamb	I	Steel	White	0.1	QM
8	001	SW Cnr Off	C	Rad. Cover	Ctr		I	Steel	White	0.0	QM
9	002	West Hall	A	Wall	U Ctr		I	Sheetrock	White	-0.2	QM
10	002	West Hall	B	Wall	U Lft		I	Sheetrock	White	-0.1	QM
11	002	West Hall	C	Wall	L Ctr		I	Sheetrock	White	-0.3	QM
12	002	West Hall	D	Wall	U Lft		I	Sheetrock	White	0.0	QM
13	002	West Hall	A	Ceiling			I	Accu. Tile	White	0.0	QM
14	002	West Hall	C	Column	Rgt	L column	I	Concrete	White	-0.1	QM
15	002	West Hall	D	Door	Lft	U Rgt	I	Steel	White	0.0	QM
16	002	West Hall	D	Door	Lft	Lft jamb	I	Steel	White	-0.1	QM
17	002	West Hall	A	Stairs	Ctr	Baseboard	I	Steel	White	0.2	QM
18	002	West Hall	A	Stairs	Ctr	Stringer	I	Steel	White	-0.2	QM
19	003	Stairwell A	A	Wall	U Ctr		I	Concrete	White	-0.2	QM
20	003	Stairwell A	B	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
21	003	Stairwell A	C	Wall	U Lft		I	Sheetrock	White	-0.1	QM
22	003	Stairwell A	D	Wall	U Ctr		I	Concrete	White	0.0	QM
23	003	Stairwell A	A	Ceiling			I	Sheetrock	White	-0.1	QM
24	003	Stairwell A	A	Stairs	Rgt	Treads	I	Concrete	Gray	-0.2	QM
25	003	Stairwell A	A	Floor			I	Concrete	Gray	0.1	QM
26	003	Stairwell A	C	Riser pipe	Lft		I	Steel	Red	0.1	QM
27	003	Stairwell A	C	Door	Rgt	U Rgt	I	Steel	Orange	0.0	QM
28	003	Stairwell A	C	Door	Rgt	Lft jamb	I	Steel	Orange	0.1	QM

---- End of Readings ----

SEQUENTIAL REPORT OF LEAD PAINT INSPECTION FOR:

Inspection Date: 01/12/06
Report Date: 1/12/2006
Abatement Level: 1.0
Report No. 01/12/06 11:40
Total Readings: 28
Job Started: 01/12/06 11:40
Job Finished: 01/12/06 11:59

15th Floor
40 Broad Street
New York, N.Y.

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1	001	SW Cnr Off	A	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
2	001	SW Cnr Off	B	Wall	U Rgt		I	Sheetrock	White	0.1	QM
3	001	SW Cnr Off	C	Wall	U Rgt		I	Sheetrock	White	-0.1	QM
4	001	SW Cnr Off	D	Wall	U Ctr		I	Sheetrock	White	0.0	QM
5	001	SW Cnr Off	A	Ceiling			I	Accu. Tile	White	-0.1	QM
6	001	SW Cnr Off	A	Door	Lft	U Rgt	I	Steel	White	-0.1	QM
7	001	SW Cnr Off	A	Door	Lft	Rgt jamb	I	Steel	White	0.1	QM
8	001	SW Cnr Off	C	Rad. Cover	Ctr		I	Steel	White	0.0	QM
9	002	West Hall	A	Wall	U Ctr		I	Sheetrock	White	-0.2	QM
10	002	West Hall	B	Wall	U Lft		I	Sheetrock	White	-0.1	QM
11	002	West Hall	C	Wall	L Ctr		I	Sheetrock	White	-0.3	QM
12	002	West Hall	D	Wall	U Lft		I	Sheetrock	White	0.0	QM
13	002	West Hall	A	Ceiling			I	Accu. Tile	White	0.0	QM
14	002	West Hall	C	Column	Rgt	L column	I	Concrete	White	-0.1	QM
15	002	West Hall	D	Door	Lft	U Rgt	I	Steel	White	0.0	QM
16	002	West Hall	D	Door	Lft	Lft jamb	I	Steel	White	-0.1	QM
17	002	West Hall	A	Stairs	Ctr	Baseboard	I	Steel	White	0.2	QM
18	002	West Hall	A	Stairs	Ctr	Stringer	I	Steel	White	-0.2	QM
19	003	Stairwell A	A	Wall	U Ctr		I	Concrete	White	-0.2	QM
20	003	Stairwell A	B	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
21	003	Stairwell A	C	Wall	U Lft		I	Sheetrock	White	-0.1	QM
22	003	Stairwell A	D	Wall	U Ctr		I	Concrete	White	0.0	QM
23	003	Stairwell A	A	Ceiling			I	Sheetrock	White	-0.1	QM
24	003	Stairwell A	A	Stairs	Rgt	Treads	I	Concrete	Gray	-0.2	QM
25	003	Stairwell A	A	Floor			I	Concrete	Gray	0.1	QM
26	003	Stairwell A	C	Riser pipe	Lft		I	Steel	Red	0.1	QM
27	003	Stairwell A	C	Door	Rgt	U Rgt	I	Steel	Orange	0.0	QM
28	003	Stairwell A	C	Door	Rgt	Lft jamb	I	Steel	Orange	0.1	QM

---- End of Readings ----

SEQUENTIAL REPORT OF LEAD PAINT INSPECTION FOR:

Inspection Date:	01/12/06	11th Floor
Report Date:	1/12/2006	40 Broad Street
Abatement Level:	1.0	New York, N.Y.
Report No.	01/12/06 12:02	
Total Readings:	28	
Job Started:	01/12/06 12:02	
Job Finished:	01/12/06 12:21	

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1	001	Open Area	A	Column	Lft	L column	I	Concrete	White	0.4	QM
2	001	Open Area	A	Window	Lft	Sash	I	Aluminum	Brown	-0.3	QM
3	001	Open Area	A	Wall	U Ctr		I	Sheetrock	White	-0.2	QM
4	001	Open Area	B	Wall	U Rgt		I	Sheetrock	White	0.0	QM
5	001	Open Area	C	Wall	U Lft		I	Sheetrock	White	-0.3	QM
6	001	Open Area	D	Wall	U Ctr		I	Sheetrock	Wallpapr	0.1	QM
7	001	Open Area	B	Door	Lft	U Rgt	I	Steel	White	-0.1	QM
8	001	Open Area	B	Door	Lft	Rgt jamb	I	Steel	White	-0.1	QM
9	002	Stairwell A	A	Wall	U Ctr		I	Sheetrock	White	-0.2	QM
10	002	Stairwell A	B	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
11	002	Stairwell A	C	Wall	U Ctr		I	Concrete	White	-0.1	QM
12	002	Stairwell A	D	Wall	U Ctr		I	Concrete	White	0.3	QM
13	002	Stairwell A	C	Ceiling			I	Sheetrock	White	-0.2	QM
14	002	Stairwell A	A	Stairs	Rgt	Treads	I	Concrete	Gray	-0.1	QM
15	002	Stairwell A	A	Floor			I	Concrete	Gray	-0.2	QM
16	002	Stairwell A	A	Door	Lft	U Rgt	I	Steel	Orange	-0.1	QM
17	002	Stairwell A	A	Door	Lft	Rgt jamb	I	Steel	Orange	-0.1	QM
18	003	Stairwell B	A	Wall	U Ctr		I	Concrete	White	-0.1	QM
19	003	Stairwell B	B	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
20	003	Stairwell B	C	Wall	U Lft		I	Sheetrock	White	-0.1	QM
21	003	Stairwell B	D	Wall	U Ctr		I	Concrete	White	-0.1	QM
22	003	Stairwell B	C	Ceiling			I	Sheetrock	White	0.0	QM
23	003	Stairwell B	A	Stairs	Rgt	Treads	I	Concrete	Gray	-0.2	QM
24	003	Stairwell B	A	Floor			I	Concrete	Gray	-0.1	QM
25	003	Stairwell B	C	Riser pipe	Lft		I	Steel	Red	1.0	QM
26	003	Stairwell B	C	Rad. Cover	Lft		I	Steel	Brown	0.0	QM
27	003	Stairwell B	C	Door	Rgt	U Rgt	I	Steel	Orange	0.0	QM
28	003	Stairwell B	C	Door	Rgt	Lft jamb	I	Steel	Orange	0.1	QM

---- End of Readings ----

SEQUENTIAL REPORT OF LEAD PAINT INSPECTION FOR:

Inspection Date: 01/12/06
Report Date: 1/12/2006
Abatement Level: 1.0
Report No. 01/12/06 12:26
Total Readings: 37
Job Started: 01/12/06 12:26
Job Finished: 01/12/06 12:50

9th Floor
40 Broad Street
New York, N.Y.

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1	001	Reception	A	Wall	U Ctr		I	Sheetrock	White	0.1	QM
2	001	Reception	B	Wall	U Ctr		I	Sheetrock	White	0.1	QM
3	001	Reception	C	Wall	U Ctr		I	Sheetrock	White	-0.2	QM
4	001	Reception	D	Wall	U Lft		I	Sheetrock	White	-0.3	QM
5	001	Reception	C	Ceiling			I	Acou. Tile	White	-0.2	QM
6	001	Reception	A	Window	Rgt	Sash	I	Aluminum	Brown	-0.3	QM
7	001	Reception	A	Rad. Cover	Ctr		I	Steel	White	-0.1	QM
8	001	Reception	A	Door	Rgt	U Rgt	I	Wood	Stained	-0.1	QM
9	001	Reception	A	Door	Rgt	Rgt jamb	I	Steel	White	0.0	QM
10	002	Elev Lobby	A	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
11	002	Elev Lobby	B	Wall	U Ctr		I	Sheetrock	White	0.0	QM
12	002	Elev Lobby	C	Wall	U Rgt		I	Sheetrock	White	0.1	QM
13	002	Elev Lobby	D	Wall	U Ctr		I	Sheetrock	White	0.0	QM
14	002	Elev Lobby	A	Ceiling			I	Acou. Tile	White	-0.1	QM
15	002	Elev Lobby	A	Door	Lft	U Rgt	I	Steel	Brown	-0.1	QM
16	002	Elev Lobby	A	Door	Lft	Lft jamb	I	Steel	Brown	0.0	QM
17	002	Elev Lobby	D	Door	Lft	U Rgt	I	Steel	Brown	-0.1	QM
18	002	Elev Lobby	D	Door	Lft	Lft jamb	I	Steel	Brown	0.0	QM
19	003	Stairwell A	A	Wall	U Rgt		I	Sheetrock	White	-0.1	QM
20	003	Stairwell A	B	Wall	U Ctr		I	Sheetrock	White	0.1	QM
21	003	Stairwell A	C	Wall	U Ctr		I	Concrete	White	0.1	QM
22	003	Stairwell A	D	Wall	U Ctr		I	Concrete	White	0.0	QM
23	003	Stairwell A	A	Ceiling			I	Sheetrock	White	-0.1	QM
24	003	Stairwell A	C	Stairs	Rgt	Treads	I	Concrete	Gray	-0.1	QM
25	003	Stairwell A	C	Floor			I	Concrete	Gray	0.2	QM
26	003	Stairwell A	A	Door	Lft	U Rgt	I	Steel	Orange	0.0	QM
27	003	Stairwell A	A	Door	Lft	Rgt jamb	I	Steel	Orange	-0.1	QM
28	004	Stairwell B	A	Wall	U Ctr		I	Concrete	White	0.1	QM
29	004	Stairwell B	B	Wall	U Ctr		I	Sheetrock	White	0.2	QM
30	004	Stairwell B	C	Wall	U Lft		I	Sheetrock	White	-0.1	QM
31	004	Stairwell B	D	Wall	U Ctr		I	Concrete	White	0.2	QM
32	004	Stairwell B	A	Ceiling			I	Sheetrock	White	0.3	QM
33	004	Stairwell B	A	Stairs	Rgt	Treads	I	Concrete	Gray	-0.2	QM
34	004	Stairwell B	A	Floor			I	Concrete	Gray	-0.1	QM
35	004	Stairwell B	C	Riser pipe	Lft		I	Steel	Red	0.0	QM
36	004	Stairwell B	C	Door	Rgt	U Rgt	I	Steel	Orange	0.0	QM
37	004	Stairwell B	C	Door	Rgt	Lft jamb	I	Steel	Orange	0.0	QM

---- End of Readings ----

SEQUENTIAL REPORT OF LEAD PAINT INSPECTION FOR:

Inspection Date: 01/12/06
Report Date: 1/12/2006
Abatement Level: 1.0
Report No. 01/12/06 12:53
Total Readings: 46
Job Started: 01/12/06 12:53
Job Finished: 01/12/06 13:31

6th Floor
40 Broad Street
New York, N.Y.

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1	001	NE Off Rec	A	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
2	001	NE Off Rec	B	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
3	001	NE Off Rec	C	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
4	001	NE Off Rec	D	Wall	U Ctr		I	Sheetrock	White	0.0	QM
5	001	NE Off Rec	A	Ceiling			I	Accu. Tile	White	0.1	QM
6	001	NE Off Rec	A	Column	Lft	L column	I	Concrete	White	-0.1	QM
7	001	NE Off Rec	A	Door	Rgt	U Rgt	I	Steel	White	0.1	QM
8	001	NE Off Rec	A	Door	Rgt	Rgt jamb	I	Steel	White	0.0	QM
9	002	SE Office	A	Wall	U Rgt		I	Sheetrock	White	-0.2	QM
10	002	SE Office	B	Wall	U Ctr		I	Sheetrock	White	-0.2	QM
11	002	SE Office	C	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
12	002	SE Office	D	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
13	002	SE Office	A	Ceiling			I	Accu. Tile	White	0.0	QM
14	002	SE Office	A	Window	Rgt	Sash	I	Aluminum	Brown	-0.4	QM
15	002	SE Office	A	Rad. Cover	Rgt		I	Steel	White	0.0	QM
16	002	SE Office	B	Column	Rgt	L column	I	Concrete	White	0.0	QM
17	002	SE Office	C	Door	Rgt	U Rgt	I	Steel	White	-0.1	QM
18	002	SE Office	C	Door	Rgt	Lft jamb	I	Steel	White	0.0	QM
19	003	Stairwell B	A	Wall	U Rgt		I	Sheetrock	White	0.0	QM
20	003	Stairwell B	B	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
21	003	Stairwell B	C	Wall	U Ctr		I	Concrete	White	0.0	QM
22	003	Stairwell B	D	Wall	U Ctr		I	Concrete	White	0.0	QM
23	003	Stairwell B	A	Ceiling			I	Sheetrock	White	0.2	QM
24	003	Stairwell B	C	Stairs	Rgt	Treads	I	Concrete	Gray	-0.3	QM
25	003	Stairwell B	C	Floor			I	Concrete	Gray	0.0	QM
26	003	Stairwell B	A	Door	Lft	U Rgt	I	Steel	Orange	-0.1	QM
27	003	Stairwell B	A	Door	Lft	Rgt jamb	I	Steel	Orange	-0.1	QM
28	004	Elev Lobby	B	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
29	004	Elev Lobby	C	Wall	U Rgt		I	Sheetrock	White	-0.1	QM
30	004	Elev Lobby	D	Wall	U Ctr		I	Sheetrock	White	0.1	QM
31	004	Elev Lobby	A	Ceiling			I	Sheetrock	White	-0.1	QM
32	004	Elev Lobby	C	Baseboard	Ctr		I	Wood	Stained	-0.1	QM
33	004	Elev Lobby	C	Door	Rgt	U Rgt	I	Steel	Gray	-0.1	QM
34	004	Elev Lobby	C	Door	Rgt	Rgt jamb	I	Steel	Gray	-0.1	QM
35	004	Elev Lobby	A	Door	Lft	U Rgt	I	Steel	Gray	0.1	QM
36	004	Elev Lobby	A	Door	Lft	Lft jamb	I	Steel	Gray	0.0	QM
37	005	Stairwell A	A	Wall	U Ctr		I	Concrete	White	0.0	QM
38	005	Stairwell A	B	Wall	U Ctr		I	Sheetrock	White	0.2	QM
39	005	Stairwell A	C	Wall	U Lft		I	Sheetrock	White	0.1	QM
40	005	Stairwell A	D	Wall	U Ctr		I	Concrete	White	0.0	QM
41	005	Stairwell A	A	Ceiling			I	Sheetrock	White	0.2	QM
42	005	Stairwell A	A	Stairs	Rgt	Treads	I	Concrete	Gray	-0.2	QM
43	005	Stairwell A	A	Floor			I	Concrete	Gray	-0.2	QM
44	005	Stairwell A	C	Riser pipe	Lft		I	Steel	Red	-0.1	QM
45	005	Stairwell A	C	Door	Rgt	U Rgt	I	Steel	Orange	-0.2	QM
46	005	Stairwell A	C	Door	Rgt	Lft jamb	I	Steel	Orange	0.1	QM

---- End of Readings ----

SEQUENTIAL REPORT OF LEAD PAINT INSPECTION FOR:

Inspection Date: 01/12/06
Report Date: 1/12/2006
Abatement Level: 1.0
Report No. 01/12/06 13:34
Total Readings: 35
Job Started: 01/12/06 13:34
Job Finished: 01/12/06 13:55

4th Floor
40 Broad Street
New York, N.Y.

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1	001	S Conf Rm	A	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
2	001	S Conf Rm	B	Wall	U Ctr		I	Sheetrock	White	0.0	QM
3	001	S Conf Rm	C	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
4	001	S Conf Rm	D	Wall	U Ctr		I	Sheetrock	White	0.1	QM
5	001	S Conf Rm	A	Ceiling			I	Acou. Tile	White	-0.1	QM
6	001	S Conf Rm	C	Door	Rgt	U Rgt	I	Steel	Blue	-0.1	QM
7	001	S Conf Rm	C	Door	Rgt	Lft jamb	I	Steel	Blue	-0.1	QM
8	002	SW Office	A	Wall	U Rgt		I	Sheetrock	White	-0.1	QM
9	002	SW Office	B	Wall	U Ctr		I	Sheetrock	White	0.1	QM
10	002	SW Office	C	Wall	U Rgt		I	Sheetrock	White	0.1	QM
11	002	SW Office	D	Wall	U Ctr		I	Sheetrock	White	-0.2	QM
12	002	SW Office	A	Ceiling			I	Acou. Tile	White	0.2	QM
13	002	SW Office	A	Door	Lft	U Rgt	I	Steel	Blue	0.0	QM
14	002	SW Office	A	Door	Lft	Rgt jamb	I	Steel	Blue	0.0	QM
15	002	SW Office	C	Window	Ctr	Sash	I	Aluminum	Brown	-0.2	QM
16	002	SW Office	C	Rad. Cover	Ctr		I	Steel	White	-0.1	QM
17	003	Elev Lobby	A	Wall	U Lft		I	Sheetrock	Wallpapr	-0.2	QM
18	003	Elev Lobby	B	Wall	U Ctr		I	Sheetrock	Wallpapr	-0.1	QM
19	003	Elev Lobby	C	Wall	U Ctr		I	Sheetrock	Wallpapr	0.0	QM
20	003	Elev Lobby	D	Wall	U Ctr		I	Sheetrock	Wallpapr	-0.1	QM
21	003	Elev Lobby	A	Ceiling			I	Sheetrock	White	-0.1	QM
22	003	Elev Lobby	C	Door	Lft	U Rgt	I	Steel	Blue	0.1	QM
23	003	Elev Lobby	C	Door	Lft	Rgt jamb	I	Steel	Blue	0.0	QM
24	003	Elev Lobby	D	Door	Lft	U Rgt	I	Steel	Blue	-0.1	QM
25	003	Elev Lobby	D	Door	Lft	Lft jamb	I	Steel	Blue	-0.1	QM
26	004	Stairwell A	A	Wall	U Ctr		I	Concrete	White	0.2	QM
27	004	Stairwell A	B	Wall	U Ctr		I	Sheetrock	White	-0.1	QM
28	004	Stairwell A	C	Wall	U Lft		I	Sheetrock	White	0.0	QM
29	004	Stairwell A	D	Wall	U Ctr		I	Concrete	White	-0.1	QM
30	004	Stairwell A	A	Ceiling			I	Sheetrock	White	0.3	QM
31	004	Stairwell A	A	Stairs	Rgt	Treads	I	Concrete	Gray	-0.1	QM
32	004	Stairwell A	A	Floor			I	Concrete	Gray	-0.3	QM
33	004	Stairwell A	C	Riser pipe	Lft		I	Steel	Red	-0.2	QM
34	004	Stairwell A	C	Door	Rgt	U Rgt	I	Steel	Orange	0.0	QM
35	004	Stairwell A	C	Door	Rgt	Lft jamb	I	Steel	Orange	0.1	QM

---- End of Readings ----

SEQUENTIAL REPORT OF LEAD PAINT INSPECTION FOR:

Inspection Date: 01/12/06
Report Date: 1/12/2006
Abatement Level: 1.0
Report No. 01/12/06 13:58
Total Readings: 49
Job Started: 01/12/06 13:58
Job Finished: 01/12/06 14:40

2nd Floor
40 Broad Street
New York, N.Y.

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1	001	NE Office	A	Wall	U	Ctr	I	Sheetrock	White	-0.3	QM
2	001	NE Office	B	Wall	U	Ctr	I	Sheetrock	White	-0.1	QM
3	001	NE Office	C	Wall	U	Ctr	I	Sheetrock	White	-0.1	QM
4	001	NE Office	D	Wall	U	Ctr	I	Sheetrock	Cream	0.0	QM
5	001	NE Office	A	Ceiling			I	Accu. Tile	White	0.1	QM
6	001	NE Office	A	Column	Lft	L column	I	Concrete	White	-0.3	QM
7	001	NE Office	A	Rad. Cover	Rgt		I	Steel	White	0.4	QM
8	001	NE Office	A	Window	Rgt	Sash	I	Aluminum	Brown	-0.3	QM
9	001	NE Office	C	Door	Lft	U Rgt	I	Steel	White	0.0	QM
10	001	NE Office	C	Door	Lft	Rgt jamb	I	Steel	White	-0.1	QM
11	002	SE Office	A	Wall	U	Ctr	I	Sheetrock	White	-0.1	QM
12	002	SE Office	B	Wall	U	Ctr	I	Sheetrock	White	-0.1	QM
13	002	SE Office	C	Wall	U	Ctr	I	Sheetrock	White	-0.1	QM
14	002	SE Office	D	Wall	U	Ctr	I	Sheetrock	Beige	0.0	QM
15	002	SE Office	A	Rad. Cover		Ctr	I	Steel	White	-0.1	QM
16	002	SE Office	C	Door	Rgt	U Rgt	I	Steel	White	0.1	QM
17	002	SE Office	C	Door	Rgt	Lft jamb	I	Steel	White	0.1	QM
18	002	SE Office	A	Ceiling			I	Sheetrock	White	0.1	QM
19	003	Stairwell B	A	Wall	U	Rgt	I	Sheetrock	White	-0.1	QM
20	003	Stairwell B	B	Wall	U	Ctr	I	Sheetrock	White	0.0	QM
21	003	Stairwell B	C	Wall	U	Ctr	I	Concrete	White	-0.1	QM
22	003	Stairwell B	D	Wall	U	Ctr	I	Concrete	White	0.3	QM
23	003	Stairwell B	A	Ceiling			I	Sheetrock	White	0.3	QM
24	003	Stairwell B	C	Stairs	Rgt	Treads	I	Concrete	Gray	-0.1	QM
25	003	Stairwell B	C	Floor			I	Concrete	Gray	-0.2	QM
26	003	Stairwell B	A	Door	Lft	U Rgt	I	Steel	Orange	-0.1	QM
27	003	Stairwell B	A	Door	Lft	Rgt jamb	I	Steel	Orange	0.0	QM
28		CALIBRATION								0.9	Std
29		CALIBRATION								1.0	Std
30		CALIBRATION								1.0	Std
31		CALIBRATION								0.0	Std
32		CALIBRATION								0.0	Std
33		CALIBRATION								0.0	Std
34	004	Stairwell A	A	Wall	U	Ctr	I	Concrete	White	0.0	QM
35	004	Stairwell A	B	Wall	U	Ctr	I	Sheetrock	White	0.0	QM
36	004	Stairwell A	C	Wall	U	Ctr	I	Sheetrock	White	-0.1	QM
37	004	Stairwell A	D	Wall	U	Ctr	I	Concrete	White	-0.1	QM
38	004	Stairwell A	C	Ceiling			I	Sheetrock	White	0.1	QM
39	004	Stairwell A	A	Stairs	Rgt	Treads	I	Concrete	Gray	-0.3	QM
40	004	Stairwell A	A	Floor			I	Concrete	Gray	0.0	QM
41	004	Stairwell A	C	Riser pipe	Lft		I	Steel	Red	0.0	QM
42	004	Stairwell A	C	Rad. Cover	Lft		I	Steel	White	0.0	QM
43	004	Stairwell A	C	Door	Rgt	U Rgt	I	Steel	Orange	0.2	QM
44	004	Stairwell A	C	Door	Rgt	Lft jamb	I	Steel	Orange	-0.1	QM
45	005	Elev Lobby	B	Wall	U	Ctr	I	Sheetrock	White	-0.1	QM
46	005	Elev Lobby	D	Wall	U	Ctr	I	Sheetrock	White	-0.2	QM
47	005	Elev Lobby	A	Ceiling			I	Sheetrock	White	-0.2	QM
48	005	Elev Lobby	D	Door	Lft	U Rgt	I	Steel	White	0.0	QM
49	005	Elev Lobby	D	Door	Lft	Rgt jamb	I	Steel	White	0.0	QM

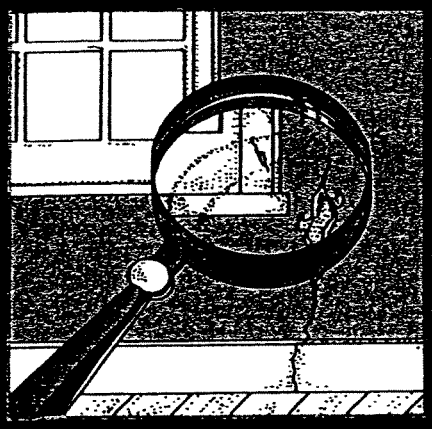
SEQUENTIAL REPORT OF LEAD PAINT INSPECTION FOR:

Inspection Date: 01/12/06
Report Date: 1/12/2006
Abatement Level: 1.0
Report No. 01/12/06 14:47
Total Readings: 41
Job Started: 01/12/06 14:47
Job Finished: 01/12/06 15:29

Basement
40 Broad Street
New York, N.Y.

Read No.	Rm	Room Name	Wall	Structure	Location	Member	Paint Cond	Substrate	Paint Color	Lead (mg/cm²)	Mode
1	001	Pump Room	A	Wall	U Ctr		I	Concrete	White	0.2	QM
2	001	Pump Room	B	Wall	U Ctr		I	Sheetrock	White	0.0	QM
3	001	Pump Room	C	Wall	U Ctr		I	Concrete	White	0.0	QM
4	001	Pump Room	D	Wall	U Ctr		I	Concrete	White	-0.1	QM
5	001	Pump Room	A	Floor			I	Concrete	Gray	-0.1	QM
6	001	Pump Room	D	Column	Rgt	L column	I	Concrete	White	-0.1	QM
7	001	Pump Room	A	Door	Rgt	U Rgt	I	Steel	Gray	0.0	QM
8	001	Pump Room	A	Door	Rgt	Rgt jamb	I	Steel	Gray	0.1	QM
9	001	Pump Room	C	Door	Lft	U Rgt	I	Steel	Blue	-0.1	QM
10	001	Pump Room	C	Door	Lft	Lft jamb	I	Steel	Blue	-0.1	QM
11	001	Pump Room	D	Door	Rgt	U Rgt	I	Steel	Blue	-0.1	QM
12	001	Pump Room	D	Door	Rgt	Rgt casing	I	Steel	Blue	0.2	QM
13	002	V.I.P. Room	A	Wall	U Lft		I	Sheetrock	White	-0.1	QM
14	002	V.I.P. Room	B	Wall	U Rgt		I	Sheetrock	White	0.2	QM
15	002	V.I.P. Room	C	Wall	U Ctr		I	Sheetrock	White	-0.3	QM
16	002	V.I.P. Room	D	Wall	U Ctr		I	Sheetrock	White	0.0	QM
17	002	V.I.P. Room	B	Column	Ctr	L column	I	Concrete	White	0.0	QM
18	002	V.I.P. Room	A	Door	Rgt	U Rgt	I	Steel	Gray	0.1	QM
19	002	V.I.P. Room	A	Door	Rgt	Lft jamb	I	Steel	Gray	0.2	QM
20	003	South Hall	A	Wall	U Ctr		I	Concrete	White	-0.2	QM
21	003	South Hall	B	Wall	U Ctr		I	Concrete	White	-0.1	QM
22	003	South Hall	C	Wall	U Ctr		I	Concrete	White	0.1	QM
23	003	South Hall	D	Wall	U Ctr		I	Concrete	White	0.4	QM
24	003	South Hall	A	Wall	L Ctr		I	Concrete	Gray	-0.1	QM
25	003	South Hall	B	Wall	L Ctr		I	Concrete	Gray	-0.1	QM
26	003	South Hall	C	Wall	L Ctr		I	Concrete	Gray	0.0	QM
27	003	South Hall	D	Wall	L Ctr		I	Concrete	Gray	-0.1	QM
28	003	South Hall	A	Ceiling			I	Sheetrock	White	-0.1	QM
29	003	South Hall	A	Floor			I	Concrete	Gray	-0.2	QM
30	003	South Hall	B	Door	Ctr	U Rgt	I	Steel	Blue	0.1	QM
31	003	South Hall	B	Door	Ctr	Rgt casing	I	Steel	Blue	0.1	QM
32	003	South Hall	B	Door	Rgt	U Rgt	I	Steel	Gray	0.0	QM
33	003	South Hall	B	Door	Rgt	Lft casing	I	Steel	Gray	0.0	QM
34		CALIBRATION								1.1	Std
35		CALIBRATION								1.1	Std
36		CALIBRATION								1.0	Std
37		CALIBRATION								1.0	Std
38		CALIBRATION								0.0	Std
39		CALIBRATION								0.0	Std
40		CALIBRATION								0.0	Std
41		CALIBRATION								0.0	Std

---- End of Readings ----



Protect Your Family From Lead In Your Home





EPA United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.



OWNERS, BUYERS, and RENTERS are encouraged to check for lead (see page 6) before renting, buying or renovating pre-1978 housing.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS disturbing more than 2 square feet of painted surfaces have to give you this pamphlet before starting work.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

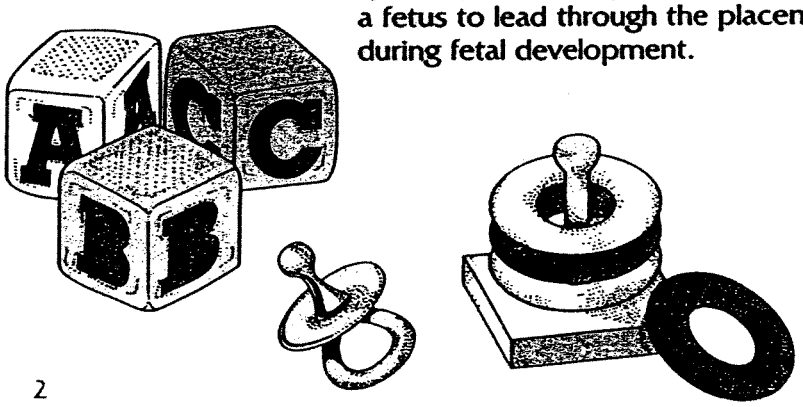
- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

Lead is even more dangerous to children under the age of 6:

- At this age children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Lead is also dangerous to women of childbearing age:

- Women with a high lead level in their system prior to pregnancy would expose a fetus to lead through the placenta during fetal development.



Lead's Effects

It is important to know that even exposure to low levels of lead can severely harm children.

In children, lead can cause:

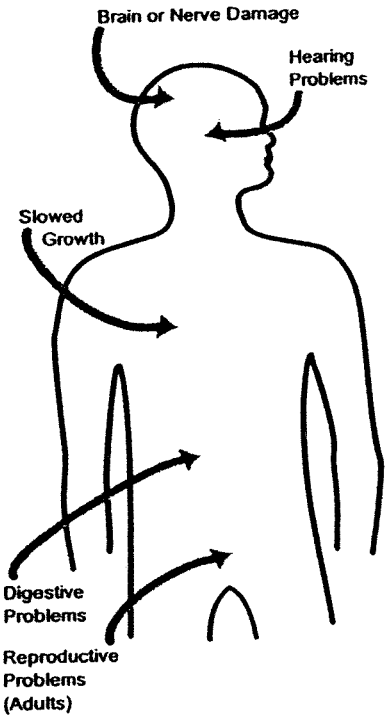
- Nervous system and kidney damage.
- Learning disabilities, attention deficit disorder, and decreased intelligence.
- Speech, language, and behavior problems.
- Poor muscle coordination.
- Decreased muscle and bone growth.
- Hearing damage.

While low-lead exposure is most common, exposure to high levels of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults too.

In adults, lead can cause:

- Increased chance of illness during pregnancy.
- Harm to a fetus, including brain damage or death.
- Fertility problems (in men and women).
- High blood pressure.
- Digestive problems.
- Nerve disorders.
- Memory and concentration problems.
- Muscle and joint pain.



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside and outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home tested for lead in several different ways:

- A paint **inspection** tells you whether your home has lead-based paint and where it is located. It won't tell you whether or not your home currently has lead hazards.
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards.
- A combination risk assessment and inspection tells you if your home has any lead hazards and if your home has any lead-based paint, and where the lead-based paint is located.



Hire a trained and certified testing professional who will use a range of reliable methods when testing your home.

- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency (see bottom of page 11) for more information, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these kits before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly.** Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.**
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**



- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.

Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your state or local agency (see bottom of page 11) for help in locating certified professionals in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

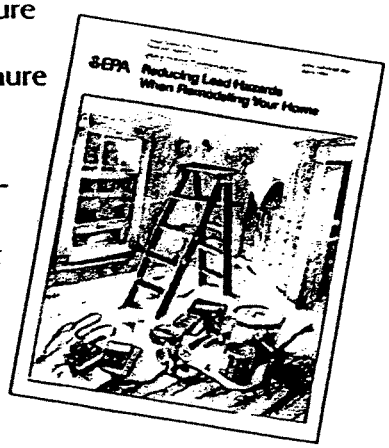
Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):



- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, high temperature heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

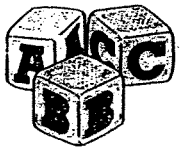
If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

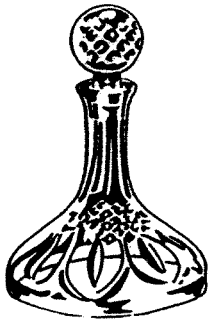


Other Sources of Lead



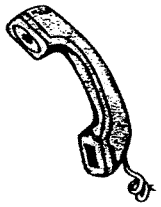
While paint, dust, and soil are the most common sources of lead, other lead sources also exist.





- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

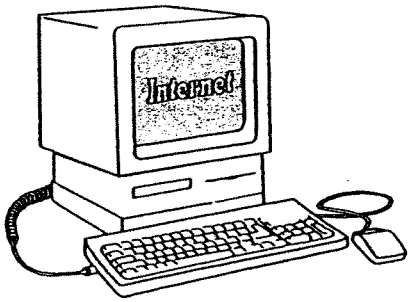


The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.



Consumer Product Safety Commission (CPSC) Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's Web site at: **www.cpsc.gov.**

Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** to access any of the phone numbers in this brochure.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

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U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
June 2003

EXHIBIT 14

ASBESTOS REPORT

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Corona, NY 11368-5107

ONLY TYPEWRITTEN FORMS WILL BE ACCEPTED

NOT AN ASBESTOS PROJECT

FOR OFFICIAL USE ONLY
1. _____ NYC Buildings Dept. Application #
ACP 5 Fee $_____

When submitting this form at the NYC Department of Buildings, the original form and three (3) copies with original signature and seal are required. Submittal at the NYCDEP requires one copy of the form with original signature and seal.

2. Facility Address 40 Broad Street Borough Manhattan Zip 10004

AKA n/a. 3. Block 24 4. Lot 32

5. Building Owner Zamir Equities Tel. # (212) 277-6477

6. Address 587 Fifth Avenue State NY Zip 10001

7. Contact Person Josh Zamir 8. Tel. # (212) 277-6477

9. Description of the Entire Scope of Work

Interior Demolition of all interior sheetrock and ceiling surfaces. Building is of new construction and no asbestos materials were reported to have been installed. Prior assessments by other inspectors failed to detect any presence of asbestos containing materials.

10. Est. Start Date _____ ☑ As soon as permit approved Est. Completion Date 6/30/06 of the Entire Scope of Work.

11. I, M. Rutstein (Name of Certified Asbestos Investigator), have conducted an asbestos investigation on 8/2/05 (Date) in accordance with

Sections 1-16 and 1-27 of the NYC DEP Asbestos Control Program Rules and declare that at said facility address, the

- ☐ a. premise to be demolished is free of any asbestos containing material (ACM).
- ☐ b. premise to be demolished contains 10 square feet or less or 25 linear feet or less of ACM.
- ☑ c. cumulative surfaces of structure(s) affected by the work are free of ACM.
- ☑ d. cumulative surfaces of structure(s) affected by the work contain 10 square feet or less or 25 linear feet or less of ACM
- ☐ e. normally non-friable ACM shall be disturbed/removed. Specify amount: _____ square feet
- ☐ f. ACM will not be disturbed during the scope of work. Specify amount of ACM present: _____ square feet _____ linear feet

All ACM specified in "b", "d", or "e" must be removed in accordance with the DEP Asbestos Rules or NYS DOL ICR56.*

12. RESULTS OF BUILDING SURVEY AND HAZARD ASSESSMENT:

FLOOR (including cellar and basement)	DESCRIBE SECTION OF FLOOR (e.g. entire, east wing, room 8, boiler room, lobby, etc.)	ALL MATERIALS ASSUMED TO CONTAIN ACM AND/OR SAMPLED	NUMBER OF SAMPLES ANALYZED	ASBESTOS PRESENT YES	ASBESTOS PRESENT NO	ASSUMED ACM
Base	Steam Room	Thermal System Insulation	1		✓	
1-25	Entire office space	Sheetrock & Joint Compound	51		✓	
1-25	Entire office space (except fls 10 & 21)	Ceiling Tiles (12x12 Z-spline)	42		✓	
21 & 10	Entire office space	Ceiling Tiles (2x4 Lay-in)	7		✓	
18, 12,25	Lobby & Kitchens	Fl. Tiles (12x12)	3		✓	

13. Analytical Laboratory EMSL, Inc.

14. ELAP # 11506 (NYS DOH CERTIFICATION) 15. Date(s) Samples Analyzed 8/5/05

16. I hereby declare the information provided herein is true and complete.

NYC DEP Certified Asbestos Investigator's Signature | 93495 Certificate Number | 8/5/05 Date | (845) 638-0640 Daytime Telephone Number

Any modification or deviation from information provided on this form must be reported immediately in writing directly to the NYCDEP. The requirements of the Asbestos Control Program Rules may not be lawfully avoided or lessened through the performance of work in incremental or piecemeal fashion.

*In-plant operations, as defined in §56-3.1 of ICR56, are not permitted in New York City.

SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR



ACP5
3/2001

THE SETAI

NEW YORK

40 Broad Street, New York, New York 10004
p: 212.968.8880 f: 212.968.8881
SetaiNY.com