THIS PLAN HAS BEEN AMENDED. SEE INSIDE COVER.

CONDOMINIUM OFFERING PLAN FOR

200 EAST 79TH STREET CONDOMINIUM

200
E79
A CONTEMPORARY CLASSIC

200 EAST 79TH STREET
NEW YORK, NEW YORK 10075

TOTAL PURCHASE PRICE FOR 45 RESIDENTIAL UNITS: $204,474,800

The Condominium will have forty-five (45) Residential Units and one (1) Commercial Unit. Unit 2F will be sold to the Residential Board for use as the Resident Manager's Unit. Forty-four (44) Residential Units are being offered for sale to the public hereby. The Commercial Unit is not being offered for sale at this time.

SPONSOR

200 EAST 79TH STREET LLC
13-15 WEST 54TH STREET
NEW YORK, NEW YORK 10019
(212) 586-7522

SELLING AGENT

STRIBLING MARKETING ASSOCIATES, LLC
924 MADISON AVENUE
NEW YORK, NEW YORK 10021
(212) 570-2440

The term of the initial offering of this Plan commenced on August 17, 2012 and expires on August 16, 2013 unless said date is extended in a duly filed amendment.

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

THIS OFFERING PLAN IS SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES 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.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS.

FIFTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

200 EAST 79TH STREET CONDOMINIUM
200 EAST 79TH STREET
NEW YORK, NEW YORK 10075

Dated: OCTOBER 17, 2012

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A. Schedule of Purchase Prices

FIFTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
200 EAST 79TH STREET CONDOMINIUM

INTRODUCTION

This Fifth Amendment (the "Amendment") modifies and supplements the terms of the Condominium Offering Plan for 200 East 79th Street Condominium, 200 East 79th Street, New York, New York 10075, dated August 17, 2012, as amended by the First Amendment thereto dated August 28, 2012, the Second Amendment thereto dated October 5, 2012, the Third Amendment thereto dated October 9, 2012 and the Fourth Amendment thereto dated October 15, 2012 ("the Plan") and should be incorporated into and read in conjunction with the Plan.

The terms of this Amendment are as follows:

1. REVISED PURCHASE PRICES

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

2. INCORPORATION OF THE PLAN

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

3. DEFINITIONS

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

4. NO MATERIAL CHANGES

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

SPONSOR:

200 EAST 79TH STREET LLC

EXHIBIT A

Schedule of Purchase Prices

UNIT #	NEW PRICE
4C	$3,270,000
5A	$3,295,000
6A	$3,365,000
6C	$3,420,000
7A	$3,435,000
7C	$3,495,000
8A	$3,505,000
8C	$3,570,000
9A	$3,625,000
9C	$3,695,000

FOURTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

200 EAST 79TH STREET CONDOMINIUM
200 EAST 79TH STREET
NEW YORK, NEW YORK 10075

Dated: OCTOBER 15, 2012

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Exhibits

A. Schedule of Purchase Prices

FOURTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
200 EAST 79TH STREET CONDOMINIUM

INTRODUCTION

This Fourth Amendment (the "Amendment") modifies and supplements the terms of the Condominium Offering Plan for 200 East 79th Street Condominium, 200 East 79th Street, New York, New York 10075, dated August 17, 2012, as amended by the First Amendment thereto dated August 28, 2012, the Second Amendment thereto dated October 5, 2012 and the Third Amendment thereto dated October 9, 2012 ("the Plan") and should be incorporated into and read in conjunction with the Plan.

The terms of this Amendment are as follows:

1. REVISED PURCHASE PRICES

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

2. INCORPORATION OF THE PLAN

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

3. DEFINITIONS

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

4. NO MATERIAL CHANGES

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

SPONSOR:

200 EAST 79TH STREET LLC

EXHIBIT A

Schedule of Purchase Prices

UNIT #	NEW PRICE
3C	$3,050,000
4A	$3,125,000
4B	$4,195,000
4C	$3,170,000
5A	$3,195,000
5B	$4,295,000
5C	$3,245,000
6A	$3,265,000
6B	$4,395,000
6C	$3,320,000
7A	$3,335,000
7B	$4,495,000
7C	$3,395,000
8A	$3,405,000
8B	$4,595,000
8C	$3,470,000
9A	$3,525,000
9C	$3,595,000

THIRD AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

200 EAST 79TH STREET CONDOMINIUM
200 EAST 79TH STREET
NEW YORK, NEW YORK 10075

Dated: OCTOBER 9, 2012

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Exhibits

A. Schedule of Purchase Prices

THIRD AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
200 EAST 79TH STREET CONDOMINIUM

INTRODUCTION

This Third Amendment (the "Amendment") modifies and supplements the terms of the Condominium Offering Plan for 200 East 79th Street Condominium, 200 East 79th Street, New York, New York 10075, dated August 17, 2012, as amended by the First Amendment thereto dated August 28, 2012 and the Second Amendment thereto dated October 5, 2012 ("the Plan") and should be incorporated into and read in conjunction with the Plan.

The terms of this Amendment are as follows:

1. REVISED PURCHASE PRICES

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

2. INCORPORATION OF THE PLAN

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

3. DEFINITIONS

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

4. NO MATERIAL CHANGES

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

SPONSOR:

200 EAST 79TH STREET LLC

EXHIBIT A

Schedule of Purchase Prices

UNIT #	NEW PRICE
3A	$2,855,000
4A	$2,925,000
5A	$2,995,000
6A	$3,065,000
7A	$3,135,000
8A	$3,205,000
9A	$3,325,000

SECOND AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

200 EAST 79TH STREET CONDOMINIUM
200 EAST 79TH STREET
NEW YORK, NEW YORK 10075

Dated: OCTOBER 5, 2012

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Exhibits

A. Schedule of Purchase Prices

SECOND AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
200 EAST 79TH STREET CONDOMINIUM

INTRODUCTION

This Second Amendment (the "Amendment") modifies and supplements the terms of the Condominium Offering Plan for 200 East 79th Street Condominium, 200 East 79th Street, New York, New York 10075, dated August 17, 2012, as amendment by the First Amendment thereto dated August 28, 2012 ("the Plan") and should be incorporated into and read in conjunction with the Plan.

The terms of this Amendment are as follows:

1. REVISED PURCHASE PRICES

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

2. INCORPORATION OF THE PLAN

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

3. DEFINITIONS

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

4. NO MATERIAL CHANGES

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

SPONSOR:

200 EAST 79TH STREET LLC

EXHIBIT A

Schedule of Purchase Prices

UNIT #	NEW PRICE
3B	$3,995,000
4B	$4,095,000
5B	$4,195,000
6B	$4,295,000
7B	$4,395,000
8B	$4,495,000
9B	$4,695,000
10B	$4,770,000
11B	$4,845,000
12B	$4,920,000
14B	$4,995,000
15B	$5,195,000
16A	$8,100,000
16B	$7,495,000
17A	$6,995,000
17B	$5,395,000
18A	$6,850,000

FIRST AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

200 EAST 79TH STREET CONDOMINIUM
200 EAST 79TH STREET
NEW YORK, NEW YORK 10075

Dated: AUGUST 28, 2012

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Exhibits

A. Schedule of Purchase Prices

FIRST AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
200 EAST 79TH STREET CONDOMINIUM

INTRODUCTION

This First Amendment (the "Amendment") modifies and supplements the terms of the Condominium Offering Plan for 200 East 79th Street Condominium, 200 East 79th Street, New York, New York 10075, dated August 17, 2012 ("the Plan") and should be incorporated into and read in conjunction with the Plan.

The terms of this Amendment are as follows:

1. REVISED PURCHASE PRICES

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

2. INCORPORATION OF THE PLAN

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

3. DEFINITIONS

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

4. NO MATERIAL CHANGES

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

SPONSOR:

200 EAST 79TH STREET LLC

EXHIBIT A

Schedule of Purchase Prices

UNIT #	NEW PRICE
15A	$7,775,000
14A	$7,550,000
12A	$7,450,000
11A	$7,350,000
10A	$7,250,000
2C	$560,000
2E	$560,000

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PART I

SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

(See the "Definitions" Section of this Plan for definitions of capitalized terms not otherwise defined in these Special Risks)

1. At the time an Agreement is executed, a Purchaser is required to make an Initial Deposit with an Additional Deposit due and payable no later than the earlier to occur of: (i) four months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection. (See the Section entitled "Procedure to Purchase," in Part I of the Plan for further details.)

2. The payment of the balance of the Purchase Price shall be paid by official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association or, at Sponsor's election, upon not less than two (2) days' prior written notice, by wire as directed by Sponsor with instructions thereof provided by Sponsor to Purchaser. Funds drawn on out-of-state or foreign banks or New York bank or trust companies which are not a member of The New York Clearinghouse Association will not be accepted in payment of the Purchase Price, including the Deposit, for a Residential Unit unless otherwise agreed by Sponsor. Sponsor makes no representations or guarantees that the foregoing will not be further modified. (See the Section entitled "Procedure to Purchase" under the subsection entitled "Escrow and Trust Fund Requirements" set forth in Part I of the Plan.) Agreement.

3. Purchasers are further advised that (i) the risk of loss of any portion of the Deposit(s) deposited in accordance with the terms of the Plan and the Agreement shall be borne by Purchaser; (ii) if a Purchaser deposits Deposit(s) and/or Custom Work Deposits in excess of $250,000 for the purchase of a Unit, such Deposit(s) will not be federally insured in excess of $250,000; and (iii) if a Purchaser has any additional accounts in the Escrow Bank, the funds in said accounts will be added together with the Deposit(s) and Custom Work Deposit(s) held in escrow and the total will only be insured up to the $250,000 FDIC maximum coverage. The FDIC insurance coverage limit applies per depositor, per insured depository institution for each account ownership category. Purchasers are encouraged to visit http://www.fdic.gov. for further information and updates. (See the Section entitled "Procedure to Purchase" set forth in Part I of the Plan).

4. In the event a Purchaser defaults or there is an Event of Default under the Agreement, **TIME BEING OF THE ESSENCE** with regard to the obligations of Purchaser thereunder, and Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, **TIME BEING OF THE ESSENCE** with regard to the obligation of purchaser to cure within such 30 day period, Sponsor may, at its option, either (i) terminate the Agreement by notice of termination to Purchaser and retain the Deposit, the Custom Work Deposit, if any, and all other sums deposited by Purchaser under the Agreement, together with interest earned thereon as liquidated damages, it being acknowledged and agreed that such sums may be in excess of ten (10%) of the Purchase Price and that it is

extremely difficult and impracticable to ascertain the extent of detriment to Sponsor caused by the breach by Purchaser under the Agreement and the failure of the consummation of the transaction contemplated by the Agreement or the amount of compensation Sponsor should receive as a result of Purchaser's breach or default; or (ii) bring an action against Purchaser for specific performance, as permitted by Law; or (iii) terminate the Agreement by notice of termination to Purchaser and bring an action for damages; or (iv) exercise all other remedies available to Sponsor at Law or in equity. Upon termination of the Agreement, Purchaser shall have no further rights thereunder, and Sponsor may sell the Unit to any third party as though the Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor. (Please refer to Special Risk 33 and the Section entitled "Procedure to Purchase," in Part I of the Plan for further details.)

5. At the closing of title to a Unit, Sponsor will collect from each Purchaser, on behalf of the Condominium Board, an amount equal to two (2) months Common Charges then applicable to such Unit being purchased which will be deposited into the Working Capital Fund. The Working Capital Fund will be held and used for working capital, or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges collected from each Unit. No representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. Notwithstanding the foregoing, while Sponsor controls the Condominium Board (see the Section of the Plan entitled, "Control By Sponsor" set forth in Part I of the Plan), the Working Capital Fund will not be used to reduce estimated Common Charges. Purchasers are advised that if Sponsor enters into leases for Unsold Units, the tenants thereunder will not be obligated to contribute to the Working Capital Fund and accordingly, the Working Capital Fund may be insufficient for the payment of unanticipated expenses, if any, and Unit Owners may be subject to a Special Assessment to pay for the costs of such unanticipated expenses, if any. (See the Sections of the Plan entitled "Working Capital Fund and Apportionments" and "Closing Costs and Adjustments" set forth in Part I of the Plan.)

6. For purposes of this Plan and the Agreement, the term "TIME BEING OF THE ESSENCE" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and an Event of Default entitling Sponsor to the remedies set forth in this Plan and the Agreement. (See the Section entitled "Procedure to Purchase," in Part I of the Plan for further details.)

7. The Agreement provides that Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending or enforcing Sponsor's rights under the Agreement or if Purchaser defaults under the Agreement beyond any applicable grace period, in canceling the Agreement or otherwise enforcing Purchaser's obligations thereunder. **THE AGREEMENT ALSO PROVIDES, IN CLEAR AND EXPLICIT TERMS, THAT, EXCEPT AS PROHIBITED BY LAW, THE PARTIES WAIVE TRIAL**

BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN, THE AGREEMENT OR THE RELATIONSHIP CREATED THEREBY. (See the Agreement, in Part II of the Plan for further details.)

8. Upon submission of a signed Agreement and check for the Deposit (subject to collection) to the Sponsor or the Selling Agent, a Purchaser will be notified within thirty (30) days after such submission whether the Agreement has been accepted or rejected. Such Agreement will not be binding on Sponsor until approved and executed by Sponsor, and delivered by Sponsor to the prospective Purchaser or such Purchaser's attorney. Sponsor reserves the right to request and obtain thorough identification and financial information concerning any prospective purchaser, subject to any limitations and requirements imposed by Law. Purchaser acknowledges and agrees that Sponsor may obtain certain information about Purchaser's (or Purchaser's principals or permitted assignees) character, general reputation, personal characteristics, credit history and mode of living prior to counter-executing an Agreement in order to permit Sponsor to comply with the requirements of the applicable federal laws (including without limitation, the Fair Credit Reporting Act), Purchaser, upon execution of an Agreement hereby authorizes Sponsor, prior to Sponsor counter-executing the Agreement, to obtain such information and to retain a credit reporting agency to obtain such information and Purchaser agrees to provide all necessary information to Sponsor and/or execute any necessary documentation for Sponsor, upon Sponsor's request, to permit Sponsor to obtain such information. If the Agreement is accepted by Sponsor, a fully executed counterpart will be returned to the Purchaser by the Selling Agent. If such Purchaser receives no response within the 30-day period, the Agreement will be deemed rejected and canceled and all monies paid thereunder shall be refunded within five (5) business days thereafter. Upon such refund being made, neither party shall have any further rights or obligations hereunder with respect to the other. (See the Section of the Plan entitled "Procedure to Purchase" set forth in Part I of the Plan.)

9. If a Purchaser fails for any reason to close title to the Residential Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) the Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under the Agreement and the Plan, an amount equal to 0.05% (and at an annual percentage rate of 18.25%) of the purchase price of the Residential Unit for each day starting from (and including) the originally scheduled Closing Date to and including the day before the actual Closing Date. (See the Sections entitled "Procedure to Purchase," and "Closing Costs and Adjustments," in Part I of the Plan for further details.)

10. There are no limitations on who may purchase Residential Units. Any Purchaser of a Unit which is a Governmental Entity may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under the Condominium Declaration for the payment of Common Charges and/or assessments and otherwise. Sponsor will not knowingly accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under Law. Sponsor is not obligated to offer or sell any Residential Units and may, if it chooses, withhold one or more Residential Units for future sale. Sponsor hereby reserves the right at any time and from time to time for any reason

whatsoever, without the consent of the Condominium Board, any Residential Unit Owner, or mortgagee, to refuse to approve and execute an Agreement for any Residential Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, sex, disability, religion, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Residential Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder (See the Sections entitled "Procedure to Purchase" and "Terms of Sale" set forth in Part I of the Plan).

11. A Purchaser may not be a Prohibited Person (defined hereinafter) at any time prior to closing. Each Purchaser must be in full compliance with all applicable orders, rules, regulations and recommendations of The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury. The term "Prohibited Person" shall mean any person or entity: (a) listed in the Annex to, or otherwise subject to the provisions of, (i) the Executive Order No. 13224, "Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism" issued on September 23, 2001, and/or (ii) Executive Order 12947, "Prohibiting Transactions with Terrorists Who Threaten to Disrupt the Middle East Peace Process" issued on January 23, 1995 (both the "Executive Orders"); (b) that is owned or controlled by, or acting for or on behalf of, any person or entity that is listed to the Annex to, or is otherwise subject to the provisions of, the Executive Orders; (c) with whom Beneficiary is prohibited from dealing or otherwise engaging in any transaction by any terrorism or money laundering law, including the Executive Orders; (d) who commits, threatens or conspires to commit or supports "Terrorism" as defined in the Executive Orders; (e) that is named as a "Specially Designated National and Blocked Person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, www.ustreas.gov/Offices/enforcement/ofac or at any replacement website or other replacement official publication of such list; or (f) who is an affiliate of or affiliated with a person or entity listed above. (See the form of Agreement set forth in Part II of the Plan.)

12. The Studio Units are offered for sale only in conjunction with the purchase and continuous ownership of another Residential Unit which is not a studio (a "Non-Studio Residential Unit"). Accordingly, a Purchase Agreement for a Studio Unit may only be entered into by a Purchaser who owns or is simultaneously acquiring a Non-Studio Residential Unit. In addition, a Studio Unit may not be assigned by its owner except to another party who shall either be the then owner of a Non-Studio Residential Unit or a person simultaneously acquiring a Non-Studio Residential Unit. Residential Unit Owners may only lease a Studio Unit to other Residential Unit Owners in the Building, the Condominium Board or Sponsor, as the case may be. Any lease or assignment in contravention of the foregoing shall be voidable by the Residential Board, in its sole discretion. Further, in the case of a Purchaser simultaneously entering into Purchase Agreements for both a Studio Unit and a Non-Studio Residential Unit, it should be noted that a default under either Purchase Agreement shall constitute a default under both Purchase Agreements, thereby entitling Sponsor to its remedies pursuant to both Agreements. (Please see the section in Part I of the Plan entitled "Procedure to Purchase".)

13. Sponsor reserves the right, but is not obligated, to submit an application, at Sponsor's sole cost and expense, to Fannie Mae and/or FHA to request the Condominium be added to a list of "approved" condominiums, which means only that loans secured by individual

condominium units within such condominium project are currently eligible for delivery to Fannie Mae and FHA. There is no guaranty or assurance that Sponsor will submit an application or if submitted, that the application will satisfy the criteria for approvals, or in the event that either or both of the Fannie Mae and FHA requirements are satisfied, whether the Condominium will continue to satisfy such criteria or whether such program by Fannie Mae and/or FHA will be available or continue to be available in the future. Purchasers should further be advised that if FHA approval is granted to the Condominium no more than thirty (30%) percent of the total Units may be encumbered by FHA securitized, guaranteed or insured loans. It shall not be a basis for a Purchaser to rescind an Agreement if, for any reason, Sponsor's application to either or both of Fannie Mae and FHA, is not approved. There is no guarantee or assurance that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. In addition, in accordance with the requirements of Fannie Mae and FHA, a percent of the total operating budget for the First Year of Condominium Operation is required to be placed in a fund for capital expenditures and deferred maintenance (the "Reserve Fund"), as more particularly described in Schedule B-"Projected Budget for First Year of Condominium Operation", in Part I of the Plan. There is no guarantee or assurance that the Reserve Fund will be provided for as a line item in the operating budget after the First Year of Condominium Operation, that it will be sufficient to satisfy the Fannie Mae or FHA requirements, or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The Condominium Board reserves the right, in its sole discretion (including without limitation, during the Sponsor Control Period), to use the Reserve Fund towards any purpose not prohibited by law and subject to the rights and obligations of the Condominium Board as set forth in the Declaration and By-Laws. In the event that there are insufficient funds in the Reserve Fund to pay for the cost of repair, replacements and improvements to the Common Elements, it may be necessary to increase monthly Common Charges or institute a Special Assessment. (See a copy of Schedule B and the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board, both set forth in Part I of the Plan and the Condominium Declaration and By-Laws in Part II of the Plan.)

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

15. Prior to the closing of title to a Residential Unit, the Purchaser thereof shall not be permitted to conduct tests in such Unit for any reason, including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. (See the Sections entitled "Terms of Sale," and "Rights and Obligations of Sponsor," in Part I of the Plan for further details.)

16. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Residential Unit pursuant to the Agreement shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent make any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are advised to consider financing arrangements before signing an Agreement.

However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and could expire before the Closing Date. In addition, a lending institution could withdraw its commitment if it believes a Purchaser's financial condition has worsened or that the Unit's appraised value has decreased. If Purchaser chooses to finance Purchaser's purchase of a Residential Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in a Purchaser's financial status or condition shall release or relieve such Purchaser of Purchaser's obligations pursuant to the Agreement. (See the Sections entitled "Procedure to Purchase," and "Closing Costs and Adjustments" in Part I of the Plan for further details.)

17. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Some restrictions include requiring that a certain percentage (50% or more) of the units in a building be sold before the lender will consider making a loan. Even after the First Closing has occurred, lenders may still impose minimum sales requirements as a condition to making a loan for which commitments have been issued. It may be possible for a purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum. Moreover, lenders are imposing higher loan to value requirements, making it more difficult for purchasers to obtain a loan to finance the purchase of their Residential Unit. Purchasers may also find it difficult to resell units if prospective buyers are unable to obtain loans due to such minimum sales requirements or any other reason. Purchasers should further note that pursuant to existing Law, except as otherwise set forth herein, Sponsor may declare the Plan effective upon selling a minimum of fifteen percent (15%) of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than the minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. (See the Section entitled "Effective Date," in Part I of the Plan for further details.)

18. If Purchaser obtains a mortgage loan for the purchase of the Residential Unit, the Purchaser will pay to Sponsor a sum equal to the partial mortgage recording tax credit to which Purchaser may be entitled pursuant to §339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a mortgage loan, Purchaser must cause the lender making such mortgage loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to such mortgage loan as determined by Sponsor. Upon such assignment, that portion of the mortgage loan assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. In such event Purchaser will be obligated to pay any costs of fees incurred in connection with such assignment. Sponsor shall be solely entitled to the benefits of the exemption and accordingly, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings which would otherwise result from the availability of such exemption whether or not Purchaser's lender agrees to take the mortgage by assignment. If Purchaser's lender does not agree to take the mortgage by assignment, Purchaser will be required to pay the mortgage recording tax twice. Accordingly, each Purchaser should consult with their lender or

mortgage broker regarding this requirement. (See the Section entitled "Closing Costs and Adjustments" in Part I of the Plan for further details).

19. Purchasers are advised that the risk of loss to any Unit (but not to any portion of the Common Elements) by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an Interim Lease or written agreement with Sponsor, at which time such risk to the Unit (but not to any portion of the Common Elements) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Common Elements and the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the subject Unit. In such event, Sponsor shall provide at least three (3) months notice to Purchaser of its intent to restore. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Boards of Managers"), the Agreement will be deemed canceled and of no further force and effect and Escrow Agent will return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's right to retain the Custom Work Deposit (to the extent that the Custom Work has been performed and/or materials have been ordered and Sponsor's right, exercisable at Sponsor's option, to commence an action against Purchaser for such Custom Work Costs), and whereupon the parties to this Agreement shall be released and discharged from all obligations and liability hereunder and under the Plan; provided, however, notwithstanding anything to the contrary contained herein, if there is an Event of Default or Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain the Deposit and the Custom Work Deposit (to the extent that the Custom Work has been performed and/or materials have been ordered and the right, at Sponsor's option, to commence an action against Purchaser for the Custom Work Costs), together with any interest earned thereon, as and for liquidated damages. (See the Section entitled "Procedure to Purchase," "Rights and Obligations of Sponsor," and "Repair or Reconstruction After Fire or Other Casualty," in Part I of the Plan for further details.).

20. In order to preclude any application of the Rule Against Perpetuities which might otherwise invalidate the Agreement, the Agreement provides that the Agreement shall expire, unless otherwise previously terminated, on the day which is the earlier to occur of (i) twenty-one (21) years after the date of the Agreement, or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Deposit and all interest accrued thereon shall be returned to Purchaser. (See the Section entitled "Procedure to Purchase" set forth in Part I of the Plan and a copy of the Agreement set forth as an Exhibit in Part II of the Plan.)

21. 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, then Purchaser will be required to pay Sponsor's Counsel a fee in the amount of $1,000.00, in advance, for preparation of an assignment agreement. Any purported assignment by Purchaser in violation of the Agreement will constitute an Event of Default thereunder and will, in addition to Sponsor's other remedies on account of such Event of Default, be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. (See the Section entitled "Escrow and Trust Fund Requirements," in Part I of the Plan for further details.)

22. Upon closing, Purchasers shall be obligated to pay the NYC RPT Tax and NYS Tax, which by Law are the primary obligation of a seller, and if the Purchase Price of a Residential Unit is $1,000,000 or more, Purchaser shall also be obligated to pay the Mansion Tax, currently one percent (1%) of the purchase price, which by Law is the primary obligation of the Purchaser. For purposes of calculating the NYC RPT Tax and the NYS Tax, the amounts of such taxes will be included in the consideration subject to such tax. Purchasers who acquire two or more Residential Units that have not been combined into a single residence prior to the transfer will be obligated to pay the NYC RPT Tax at the commercial rate, which is currently 2.625% of the Purchase Price if the Residential Unit exceeds $500,000. Similarly, Purchasers who acquire a Non-Studio Residential Unit together with a Studio Unit shall be obligated to pay the NYC RPT Tax at the foregoing commercial rate. (See the Section entitled "Closing Costs and Adjustments" in Part I of the Plan for further details).

23. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's Counsel in connection with the closing of title to Purchaser's Residential Unit: (i) the sum of $3,500 for the preparation of closing documents and attendance at closing, (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, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan, (iii) if the closing is adjourned through no fault of Sponsor, an additional fee of $500 for each such adjournment to help defray the cost of preparing for and coordinating the new closing; (iv) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement and (v) if Purchaser, Purchaser's counsel or Purchaser's lender is more than one (1) hour late to the Closing, Sponsor reserves the right to adjourn or delay the Closing and cause Purchaser to pay an adjournment fee of $500. (See the Section entitled "Closing Costs and Adjustments," in Part I of the Plan for further details.)

24. Each Purchaser's title underwriter must agree (i) to timely submit the Unit Deed, all Transfer Tax forms and checks for payment of such Transfer Taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser; and (ii) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event the title underwriter (or its abstract company) fails to file such Unit Deed and Transfer Tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in

accordance with law and the requirements of any governmental or quasi-governmental agency. If said title underwriter does not execute an indemnification substantially in the form set forth as Exhibit A to the Agreement in Part II of the Plan, Purchaser must, as more fully set forth in the Agreement, agree to: (a) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) if its title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed, transfer tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency; and (b) deposit, at closing, the sum of $3,000 (the "Filing Deposit") with Sponsor's Counsel, which funds may be used by Sponsor (i) to pay legal fees, at Sponsor's Counsel's usual and customary rates, to monitor the recording of the Unit Deed and the filing of the Transfer Tax forms and payment of the Transfer Taxes, and represent Sponsor in connection with any failure to file the Unit Deed, Transfer Tax forms and payment of the required Transfer Taxes or take any action with respect to the failure to file and remit same; and (ii) pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the Filing Deposit is not a maximum amount which must be paid by Purchaser in the event the Unit Deed, Transfer Tax forms and Transfer Taxes are not filed or are not paid in a timely manner and that any legal fees incurred by Sponsor's Counsel will be at Sponsor's Counsel's usual and customary rates. The Filing Deposit, to the extent not already expended, shall be returned to Purchaser within thirty (30) days after receipt by Sponsor's attorney of Purchaser's notice containing proof of payment of the Transfer Taxes and filing of the Transfer Tax forms. (Please refer to the "Closing Costs and Adjustments" Section of Part I of the Plan and a copy of the Agreement set forth as an Exhibit in Part II of the Plan.)

25. Prior to the closing of title to a Residential Unit, the Agreement prohibits a Purchaser from listing the Residential Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Residential Unit for sale or lease, without Sponsor's prior written consent. Subsequent to the closing of title to a Residential Unit, a Residential Unit Owner (other than a Unit Owner purchasing for such Purchaser's own or their immediate family's occupancy) may not advertise, list or sell the Residential Unit for twelve (12) months after acquisition of the Residential Unit (provided however, such limitation shall not apply from and after the date that the Sponsor conveys title to all of the Residential Units). Any such conveyances in violation of the foregoing will be voidable by Sponsor. If any Purchaser engages in any of the foregoing activities, it shall be considered an Event of Default under the terms of the Agreement, thereby entitling Sponsor to any and all remedies under the terms of the Agreement. Purchasers are referred to the Agreement set forth in Part II of the Plan for further details. (See the Section entitled "Sales and Leases of Residential Units," in Part I of the Plan for further details.)

26. The estimated First Year of Condominium Operation is defined in Schedule B in Part I of the Plan. As in any newly constructed project, given the vagaries of the construction process, as more particularly described herein, it is difficult to predict, with precision, the date Sponsor will first be able to close title to the Residential Units. Accordingly, the First Closing may occur before, during or after the projected First Year of Condominium Operation and closings to certain Residential Units may occur substantially before or after closings for other Residential Units. In addition, Sponsor reserves the right, at any time, to change the anticipated First Year of Condominium Operation by amendment to the Plan. (See the Section entitled

"Description of Property and Improvements" under the subsection "Construction of the Building," in Part I of the Plan for further details.)

27. A. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the initial years of Condominium operations, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction, which may occur at all hours and could compromise the Building's security systems. During this period, various building systems, including but not limited to water supply, air conditioning, heating, cooling, security, ventilating and elevators, may need to be shut down temporarily. Sponsor will have the right to and may utilize elevators and other building systems and may install and retain scaffolding and other equipment on and in the Building to complete construction of the Building. Sponsor may not fully complete the decoration of portions of the Building, including, without limitation, the lobbies or corridors in the Building, the installation of light fixtures, the hanging of wall coverings or laying carpeting, until a particular portion of the Building is complete or a particular floor is fully occupied by Residential Unit Owners. (See the Section entitled "Description of Property and Improvements," under the subsection "Construction of the Building," in Part I of the Plan for further details.)

B. The Condominium Board and/or Residential Board may refuse to permit a Residential Unit Owner to perform Alterations in a Residential Unit until such time as the Building has been completed and a Permanent Certificate of Occupancy has been obtained therefor. Any Alterations performed by a Unit Owner must be performed in accordance with the provisions of the By-Laws and each Unit Owner shall be required to enter into an Alteration Agreement with the Board substantially in the form contained in Part II of the Plan, or such other form of alteration agreement as may be adopted by the Board. As more particularly set forth in the Alteration Agreement, the Unit Owner performing such Alterations shall be obligated (unless otherwise waived in writing by the Sponsor and/or the Board) to (i) provide a security deposit to the Board, in such amount as determined by the Board, in its sole discretion, which security deposit shall be held as security for the faithful performance and observance by Unit Owner of the terms and conditions of the Alteration Agreement, and (ii) pay a processing fee to the Managing Agent for its review of the proposed plans as set forth in the Management Agreement, which processing fee is currently $1,000, and (iii) pay any other review fees required under the Alteration Agreement or adopted by the Board from time to time, (iv) advise any transferee of the Unit of the Alterations undertaken by the Unit Owner pursuant to such alteration agreement and cause such transferee to execute and deliver to the Condominium Board an assumption agreement pursuant to which the Purchaser shall assume all of the obligations of Unit Owner under this alteration agreement and (v) for so long as Sponsor owns a Residential Unit or until a Permanent Certificate of Occupancy has been obtained, whichever is later, utilize a filing representative or expediter designated by the Sponsor or the Board, as the case may be, to file the proposed plans with Governmental Authorities (as such term is defined in the Alteration Agreement) and. The foregoing requirement in clause (v) above shall not be subject to waiver by the Board subsequent to the Sponsor Control Period. (See the Section entitled "Rights and Obligations of Sponsor," under the subsection "Construction of the Building," in Part I of the Plan and Sections 6.11.1 and 6.11.5 of the By-Laws in Part II of the Plan for further details). In

the event that any Alterations sought to be made by any Residential Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a Temporary Certificate of Occupancy or Permanent Certificate of Occupancy for such Unit, other Units or the Building, then upon the written request of Sponsor, the Condominium Board or the Residential Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers," under the subsection "Alterations and Improvements of Units and Common Elements," in Part I of the Plan for further details.)

C. All services required to be provided by Law (if any) shall be provided as of the date of the First Closing. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor; provided however that Sponsor has the sole right to initially select such outside suppliers in its sole discretion and may elect to switch to alternate service providers if one or more services are unreasonably delayed as determined by Sponsor. Purchasers are advised that in the event of such delays in the provision of services, Purchasers may be required, upon notice by Sponsor, to contract and pay for such services directly with a provider of their choice. Sponsor may not know whether or not there may be other outside suppliers who could possibly provide these services upon equal or better terms and conditions and makes no representations or guarantees with respect thereto.

D. Portions of the Building, and certain amenities and benefits anticipated to be available to some or all of the Residential Unit Owners, such as the Fitness Center, the Club Room, the Common Laundry Room, and the Courtyard, may not be completed or available for use by the Residential Unit Owners until such other portions of the Building are completed and fully operational and such fact shall not be a basis for a Residential Unit Owner to refuse to close title to the Residential Unit.

E. In addition, the presence of hoists or construction elevator shafts or similar temporary construction facilities, may delay the closing of title to certain Residential Units or lines of Residential Units until such hoists, elevators or temporary construction facilities are no longer needed and are removed. Purchasers of such Residential Units shall remain obligated to purchase same and pay the balance of the Purchase Price notwithstanding any such delay.

F. During the period when Sponsor is completing construction of the Building, moves into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The first Temporary Certificate of Occupancy may be issued for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others. Accordingly, Purchasers should be aware that they may be required to close title to their Residential Units while construction in other Units is continuing, possibly, for extended periods of time, and that noise, dust, vibrations, odors and other objectionable conditions inherent in a construction site may inconvenience such Residential Unit Owners after they have taken occupancy of their

Residential Units. Sponsor will take all such measures required by Law to protect the health and safety of Unit Owners while Sponsor completes construction of the Building and other Units and will require its contractors to observe health and safety protocols.

28. As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable Laws and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Residential Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable Law, there is no warranty as to sound transmission. Unless caused by a violation of Law, there is no warranty as to odors. Unless caused by a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality. The Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and filed building plans and specifications, and any conflict between (a) the disclaimers and (b) the Sponsor's obligation to construct the premises in accordance with all applicable Laws and filed building plans and specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the items set forth in this paragraph (whether based on negligence, breach of contract, warranty, or otherwise). (See the Section entitled "Rights and Obligations of Sponsor" under the subsection entitled "Sponsor's Obligations with Respect to the Building," in Part I of the Plan for further discussion.)

29. Except as noted herein, Sponsor makes no representations or warranties regarding building construction in the geographic area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Residential Unit or Terraces (if any). In addition, Sponsor shall not be responsible for obstructed and/or adversely impacted views from Residential Units or Terraces (if any) due to trees, landscaping and/or lamp posts erected at the street level or mechanical equipment located on roofs and roof setbacks. Purchasers should also note that due to the unique shape of the Building certain Residential Units may look into other Residential Units. Further, construction performed at neighboring properties may create noise, vibration, dust, traffic and other disturbances over which Unit Owners will have no control. Purchasers are advised that the owner of the property located at 135 East 79th Street is constructing a new mixed-use condominium thereon. (See the Section entitled "Description of Property and Improvements" under the subsection "Construction of the Building and Units" in Part I of the Plan.)

30. Construction of the Building is being financed by Construction Lender, which financing is secured by a Construction Loan. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR. Under applicable Law, Sponsor may not declare the Plan effective until Agreements are signed by bona fide purchasers for fifteen percent (15%) of the Units offered under the Plan. Under the terms of the By-Laws, and as required under the terms of any Construction Loan, in the event of a default under such Construction Loan, the Construction Lender will be entitled to designate, remove or replace the members of all three Boards which the Sponsor designated.

Under the terms of the Construction Loan, Sponsor has agreed that it will not (or allow the members on the Condominium Board appointed by Sponsor) to vote or give consent to (i) take or omit to take any action to modify, change, supplement, alter, amend or terminate any provision of the Condominium Documents (as such term is defined in the Construction Loan) which is for the express benefit of the construction Lender, (ii) waive or release any of Sponsor's rights under the Condominium Documents, (iii) vote, give consent or waive any right of Sponsor if the result of such vote or consent or waiver would be to impair the rights of the Construction Lender or the lien of the Construction Loan, (iv) approve (x) any borrowing of money on behalf of the Condominium which would result in the creation of any lien on any portion of the Units, (y) the termination of professional management and the assumption of self-management of the Condominium by the Board, or (z) cause the Condominium to fail to maintain, or diminish in any material respect, the insurance policies required to be maintained pursuant to the applicable Condominium Documents. (See the Sections entitled "Introduction," "Effective Date," and "Rights and Obligations of Sponsor" in Part I of the Plan for further details.)

31. Unit Plans depicting the layouts of Residential Units appear in Part II of the Plan. Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and may significantly exceed the finished floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Ceiling heights are estimates only. Each Unit will be measured vertically from the top of the concrete floor slab or gypsum self-leveling compound below the finished flooring and sub-floor materials to the underside of the concrete slab or wood sub-floor under the gypsum self-leveling compound above. The clearance between the top of the concrete floor slab or gypsum self-leveling compound and the bottom of the finish ceiling in the Units may vary among the Units and certain Units may have less clearance than others and all or portions of certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Since dimensions listed are based on measurements from floor slabs or gypsum self-leveling compound, they may not accurately represent the interior space in the Unit and may significantly exceed the "finished" floor area. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. (See the Notes to Schedule A in the Description of Property in Part II of the Plan for further details.)

32. All references in the Plan and in marketing materials to "floors" are references to their "marketing" designations and may not correspond to the designation given to the floors on the plans submitted to the New York City Department of Buildings. There is no floor in the Building that will be designated as Floor 13. (See the Section entitled "Description of Property," in Part II of the Plan for further details.)

33. A. Sponsor may agree, in its sole discretion, to perform Custom Work to a Residential Unit. Unless otherwise agreed to by Sponsor, a Purchaser shall bear the Custom Work Costs which shall be due and payable by Purchaser to Sponsor upon the execution of the

Agreement for the Residential Unit and deposited in an escrow account with Escrow Agent in accordance with the Plan (the "Custom Work Deposit"). The Custom Work Costs may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow Agent that all or any portion of the Custom Work is to be performed and/or materials have been ordered. In the event a Purchaser becomes entitled to rescission after Custom Work or any portion thereof has been completed, (i) the Purchaser shall not receive a refund of the Custom Work Deposit, if any, used to perform Custom Work in the Residential Unit and (ii) Purchaser shall be responsible for Restoration Costs, if any. In the event the Agreement is terminated by Sponsor, the Sponsor shall also retain the entire Custom Work Deposit and Restoration Costs paid by Purchaser in order to reimburse Sponsor for performing the Custom Work and/or restoring the Residential Unit to its original condition. Sponsor shall be entitled to commence an action against Purchaser to recover the Custom Work and Restoration Costs, if not already paid. Where Custom Work Costs (as to which Sponsor shall be entitled if and to the extent Sponsor is successful in an action to recover such Custom Work Costs) shall be paid to one party or the other, such Custom Work Costs shall include interest paid thereon. (See the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.)

B. Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases as set forth in the Plan. If the Plan is withdrawn or abandoned, the Deposit previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within five (5) days of the amendment abandoning the Plan has been accepted for filing by the Department of Law, provided, however, Sponsor shall be entitled to retain the Custom Work Deposit (to the extent that the Custom Work Costs have been expended and the Custom Work is to be performed and/or materials have been ordered).

34. After the First Annual Meeting there shall be a Residential Board of Managers consisting of five (5) persons and a Commercial Board consisting of two (2) persons. Accordingly, the Condominium Board of Managers shall consist of a total of seven (7) persons. There is no limit on the length of time that Sponsor may control the Residential Board or the Condominium Board. During the Initial Control Period, the Sponsor has the right to appoint a majority of the members of the Residential Board and the Condominium Board (and therefore control such Boards). Sponsor may control the Residential Board beyond the Initial Control Period if Sponsor's nominees receive a majority of votes cast at any election of the Residential Board (whether from Sponsor or other Unit Owners). During the Initial Control Period, any member of the Residential Board who is designated by Sponsor shall automatically be designated as one of the Residential Board members that is appointed to and serves on the Condominium Board. Therefore Sponsor will also control the Condominium Board. Sponsor reserves the right to relinquish and regain voting control of the Residential Board and the Condominium Board at any time. During the period that Sponsor controls the Condominium Board or the Residential Board, as the case may be, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Residential Common Charges or Common Charges, as the case may be, to be paid by all Residential Unit Owners or Unit Owners, as the case may be. (See the Section of the Plan entitled "Control by Sponsor," in Part I of the Plan for further details.)

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

36. Subject to certain exceptions set forth in Article 8 of the By-Laws, any sale or lease of a Residential Unit together with its Common Interest by a Residential Unit Owner, will be subject to a right of first refusal by (x) Sponsor (or its designee (corporate or otherwise)) until the later of (a) the date on which it has sold all Unsold Units; or (b) the date which is ten years from the date of the First Closing; and (y) the Residential Board, either by its designee (corporate or otherwise) or on behalf of the Residential Unit Owners on the same terms and conditions as agreed to by the owner of such Residential Unit and the proposed transferee. The parties' respective right of first refusal shall be exercised as more particularly set forth in Article 8 of the By-Laws, which is set forth as an Exhibit in Part II of the Plan. The Residential Board shall not exercise its right of first refusal to purchase or lease any Residential Unit without the prior approval of a Majority of all Residential Unit Owners. However, no such consent shall be required in the event a designee of the Residential Board purchases or leases a Residential Unit. The rights of Sponsor shall have priority to the extent both Sponsor (or its designee), and the Residential Board, either by designee or on behalf of all Residential Unit Owners, seek to purchase or lease such Residential Unit. If either the Residential Board, on behalf of Residential Unit Owners, or the Sponsor (or Sponsor's designee) elect to exercise their respective right of first refusal to purchase a Residential Unit certain taxes and other monies, which may be the responsibility of the buyer, will be the responsibility of the seller. Notwithstanding anything to the contrary contained hereinabove, until the later of: (a) the date on which Sponsor has sold all Unsold Units; or (b) the date which is ten years from the date of the First Closing (the "Sponsor ROFR Period"), the Residential Board shall not have the right to appoint a designee to purchase or lease a Residential Unit without first obtaining the written approval of the Sponsor. Other

than exercising their respective right of first refusal, neither Sponsor nor the Residential Board have a right to approve or disapprove prospective purchasers and the By-Laws contain no requirement that such Purchasers be owner-occupants of the Condominium. Notwithstanding anything to the contrary contained hereinabove, Sponsor and the Commercial Unit Owner may sell or lease all or any portion of their respective Units, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. (For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Sales and Leases of Residential Units" set forth in Part I of the Plan and Article 8 of the By-Laws set forth as an Exhibit in Part II of the Plan.)

37. Pursuant to the Declaration and By-Laws, the Residential Units may be used for residential purposes or other lawful purposes subject to conditions set forth in Article 9 of the Declaration. Sponsor and/or the owner of any Unsold Residential Unit may use the Residential Units for any purpose permitted by Law and may modify the certificate of occupancy to reflect a change in use. (See the subsection entitled "Sales and Leases of Residential Units" under the Section entitled "Rights and Obligations of Unit Owners and Boards of Managers," in Part I of the Plan for further details.)

38. In order to meet the possible varying demand for number and type of Residential Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of any Board, Unit Owner or Permitted Mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Unsold Residential Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between one or more Unsold Residential Units, or otherwise, including incorporating certain Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit, (c) designate a Residential Common Element or Residential Limited Common Element, Commercial Common Element or Commercial Limited Common Element or General Common Element as part of a newly created or expanded Residential Unit, Commercial Unit, Commercial Common Element, Residential Common Element, Residential Limited Common Element or Commercial Limited Common Element or designate all or part of a Residential Unit as a newly created or expanded Commercial Unit, Residential Common Element, Residential Limited Common Element, Commercial Common Element or Commercial Limited Common Element and (d) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b), (c) or (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Residential Unit, will be made with respect to any Residential Unit for which an Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, Common Interest, dimension, floor space or layout of such Residential Unit. The Common Interest of a Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of

Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. (See the Section entitled "Changes in Prices and Units" in Part I of the Plan for further details.

39. There is no limit on the number of Purchasers who may purchase for investment rather than personal occupancy. Accordingly, there may always be a substantial percentage of owners who are non-residents. The By-Laws do not include a provision that after the Initial Control Period, a majority of the Residential Board and/or Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. **PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE RESIDENTIAL BOARD AND/OR CONDOMINIUM BOARD UNDER THE TERMS OF THIS PLAN**. In addition, non-resident owners, including Sponsor, have different economic interests in their respective Residential Units and, therefore, do not share the same economic interests as Residential Unit Owners in the maintenance and care of the Building's facilities and amenities. As a result, owner-occupants and non-resident Residential Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). (See the Section entitled "Boards of Managers," in Part I of the Plan for further details).

40. Sponsor currently intends to sell the Residential Units under the terms of the Plan. However, under the terms of the Plan, Sponsor and the owners of the Unsold Residential Units have reserved the unconditional right to rent or lease any Unsold Residential Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Residential Units for sale at any time, in Sponsor's sole discretion or to use or offer the Units for any lawful purpose. Certain Residential Units may be occupied under short-term leases having a term in excess of thirty (30) days. Accordingly, residents of the Condominium may be comprised of both Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant portion of Residential Unit Owners will not be residents of the Building and that a significant portion of occupants in the Building may not be Residential Unit Owners. As a consequence of the foregoing, a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more Residential Units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. (See the subsection entitled "Features of Condominium Ownership" under the Section entitled "Introduction" in Part I of the Plan for further details.)

41. Purchasers or any other persons entering into an Interim Lease for a Residential Unit shall be required to pay the legal fees of Sponsor's Counsel in connection therewith upon execution of the lease or use and occupancy agreement. Such legal fees are estimated to be approximately $1,000.00 assuming that the Purchaser's counsel does not negotiate the terms of the lease. Any fees above $1,000.00 will be billed on an hourly basis at the customary rates of Sponsor's Counsel. In connection with the Closing of a Residential Unit subject to an Interim Lease, all other charges or other fees due under an Interim Lease shall be adjusted as of as of midnight of the day preceding the Closing Date to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Lease. (See the

Sections entitled "Closing Costs and Adjustments and "Interim Leases" in Part I of the Plan for further details)

42. Individuals leasing Residential Units from Sponsor will not, except as expressly provided in their respective Interim Leases, have any special rights to purchase such Residential Units. Any Interim Lease for a Residential Unit entered into with a Purchaser will provide among other things, that an uncured default by the Purchaser under the Agreement with respect to a Residential Unit will constitute a default under the Interim Lease entitling Sponsor, at its sole option, to terminate such Interim Lease in accordance with applicable Law. In addition, each Agreement will provide that an uncured default by the Purchaser under any Interim Lease in the Building will constitute an Event of Default under the Agreement entitling Sponsor, at its sole option, to terminate such Agreement and to exercise any remedies therein provided. (See the Section entitled "Interim Leases" in Part I of the Plan for further details.)

43. A Purchaser may be acquiring a Residential Unit that has been previously occupied, but such Residential Unit will be delivered at closing free and clear of all leases and tenancies except as may otherwise be agreed to in writing by the parties. (See the Section entitled "Interim Leases" in Part I of the Plan for further details.)

44. While Unsold Residential Units are being constructed and offered for sale or lease by Sponsor, there will be a greater number of visitors to the Residential Section than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such construction, selling or leasing activity will terminate. Sponsor, the Condominium Board, the Residential Board and/or the Managing Agent shall not be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Residential Section's or the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the gross negligence of Sponsor, the Condominium Board, the Residential Board and/or the Managing Agent or their respective agents. No representation or warranty is made and no assurance is given that the security systems and procedures of the Residential Section and of the Condominium will prevent personal injury or damage to or loss of personal property. (See the subsection entitled "General," under the Section entitled "Description of Property and Improvements," in Part I of the Plan for further details.)

45. A. At or subsequent to the First Closing, Sponsor will sell Residential Unit 2F in the Condominium to the Residential Board, to be used as the Resident Manager's Unit. In addition to the Purchase Price, the Residential Board shall be responsible for the payment of all mortgage recording taxes, title insurance, recording fees and Transfer Taxes due in connection with the transfer and mortgage of the Resident Manager's Unit to the Residential Board. All Common Charges, including the costs of utilities and the costs of financing the purchase of the Resident Manager's Unit, real estate taxes and the costs of Alterations undertaken by the Residential Board attributable to the Resident Manager's Unit shall be borne by all Residential Unit Owners as a Residential Common Expense and will not be shared by the Commercial Unit Owner. The Purchase Price of Residential Unit 2F is $1,474,800. At the closing of title to the Resident Manager's Unit, the Residential Board, on behalf of all Residential Unit Owners may pay the Purchase Price and associated costs by executing and delivering one or more Purchase Money Note(s) in the aggregate amount of $1,474,800 secured by one or more Purchase Money

Mortgage(s) on the Resident Manager's Unit. The Purchase Money Note will be for a term of fifteen (15) years from the First Closing with principal and interest due thereunder at the annual rate of four and one-half percent (4.5%) payable monthly, based upon a thirty (30) year self-liquidating amortization schedule. Upon the maturity date of the Purchase Money Note, assuming the Residential Board is not in default thereunder, all interest and outstanding principal in the approximate amount of $976,818 will be due and payable. Sponsor does not intend to refinance or extend the Purchase Money Note and Purchase Money Mortgage at maturity. Purchasers are advised that refinancing by another lender may not be available and that the Residential Board, in order to repay the Purchase Money Note, may be required to assess all Residential Unit Owners in proportion to their respective Residential Common Interests. In addition, the interest rate payable under the Purchase Money Note may or may not be higher than the rate offered at any time by institutional lenders to individual Purchasers purchasing their Residential Units for occupancy. At Sponsor's option, the Purchase Money Note(s) and Purchase Money Mortgage(s) will be held by an institutional lender or by Sponsor. The mortgage recording taxes, title insurance, recording fees and Transfer Taxes due in connection with the transfer and mortgage of the Resident Manager's Unit to the Residential Board may be paid by the Residential Board from the Contingency Fund set forth in Schedule B or the Working Capital Fund. In the event the Contingency Fund or Working Capital Fund is not sufficient, Sponsor will advance the funds necessary on behalf of the Residential Board and the Residential Board will repay Sponsor by executing a promissory note in the amount of the funds so advanced, to be repaid, without interest, in twelve equal monthly installments. (See the subsection entitled "Resident Manager's Unit," under the Section entitled "Description of Property and Improvements" in Part I of the Plan for further details.)

B. In the event the Residential Board defaults under the Purchase Money Note(s) and Purchase Money Mortgage(s) pursuant to their terms, including, but not limited to a default as the result of the Residential Board's failure to pay the balance of the Purchase Money Note due at maturity, the holder may foreclose on the Resident Manager's Unit and if the proceeds from the sale of the such Resident Manager's Unit are insufficient to satisfy the outstanding mortgage balance and other fees incurred, the Residential Unit Owners could be liable and assessed by the Residential Board for the deficiency based upon each Residential Unit Owner's respective Common Interest. In the event of such a foreclosure, Residential Unit Owners may lose their investment in the Resident Manager's Unit and the Condominium will be without a Resident Manager's Unit. Accordingly, alternate arrangements will be necessary and the Residential Board may either: (i) relocate the Resident Manager to another Unit in the Building; (ii) employ a superintendent for the Building who will be provided with an apartment within a distance of one block or two hundred feet from the Building; (iii) employ a twenty-four hour a day janitorial service, in accordance with the provisions of the New York City Housing Maintenance Code, or (iv) take any other actions in accordance with Law. (See the subsection entitled "Resident Manager's Unit," under the Section entitled "Description of Property and Improvements" in Part I of the Plan for further details.)

C. Sponsor reserves the right, in its sole discretion, to choose a Residential Unit other than Residential Unit 2F to sell to the Residential Board as the Resident Manager's Unit; provided, however that such sale shall only be made pursuant to an amendment to the Plan and shall not result in the Residential Board incurring financing charges, common charges and real estate taxes, the sum of which exceed the costs of owning Residential Unit 2F as set forth in

Schedule B, by more than twenty-five percent (25%). Please refer to Schedule B in Part I of the Plan for further details regarding the costs of housing the Resident Manager. (See the subsection entitled "Resident Manager's Unit," under the Section entitled "Description of Property and Improvements" in Part I of the Plan for further details.)

D. Sponsor reserves the right to not sell the Resident Manager's Unit to the Residential Board for a period of time during which Sponsor will rent the Residential Unit occupied by the Resident Manager to the Residential Board. In such event, from the date of the First Closing until the transfer of title of the Resident Manager's Unit, the Condominium shall pay to Sponsor rent in an amount equal to the sum of the following: (a) principal and interest which would have been due on the Purchase Money Note, had same been executed by Residential Board, (b) Common Charges assessed against the Residential Unit occupied by the Resident Manager and (c) real estate taxes assessed against the Residential Unit occupied by the Resident Manager. In the event Sponsor exercises the right to rent the Residential Unit occupied by the Resident Manager to the Residential Board, the rental payments will not be credited against the Purchase Price. Please refer to Schedule B in Part I of the Plan for further details regarding the costs of housing the Resident Manager. (See the subsection entitled "Resident Manager's Unit," under the Section entitled "Description of Property and Improvements" in Part I of the Plan for further details.)

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

47. (A) Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan during the Waiver Period as of the First Closing. Sponsor shall be solely responsible for payment of Waiver Period Expenses during the Waiver Period. The Waiver Period shall terminate and the collection of Common Charges shall commence upon the earlier to occur of: (i) the date set forth in a notice from Sponsor to Owners (but in no event less than thirty (30) days prior to such termination), (ii) the date upon which Sponsor has conveyed title to seventy-five (75%) percent of the Residential Units, or (iii) the date upon which the third year of condominium operation commences. Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. However, during the Waiver Period, Sponsor will continue to update Schedule B to the extent required pursuant to Part 20 of Title 13 NYCRR. All Waiver Period Expenses paid by Sponsor during the Waiver Period are based on the actual costs of operating the Building (including, without limitation, insurance premiums) and not on estimates set forth in Schedule B. There will not be an assessment of the Unit Owners for any line item in the budget which comprises Waiver Period Expenses. Waiver Period Expenses will not include (i) real estate taxes attributable to a Unit Owner's Unit, during any period during which the Unit may not be separately assessed or (ii) the funding of the Contingency Fund. Unit Owners will remain responsible for the payment of real estate taxes during the Waiver Period, which expenses shall be separately allocated to each Unit Owner based upon the Common Interest of such Unit, as

more particularly set forth in Schedule A. In accordance with the terms of the By-Laws, Sponsor must maintain a listing of all receipts and expenditures during the Waiver Period. Purchasers are advised that Unit Owners will not be charged a Special Assessment after the expiration of the Waiver Period for expenses which would have otherwise been anticipated to have been funded through Common Charges, had there been no Waiver Period. (See Section entitled "Right and Obligations of Sponsor" set forth in Part I of the Plan and a copy of the By-Laws set forth as an Exhibit in Part II of the Plan.) (See the subsection entitled "Common Charges: Determination and Assessment," under the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers," under the subsection entitled "Offering of Residential Units for Sale" under the Section entitled "Introduction," and the Section entitled "Procedure to Purchase," in Part I of the Plan for further details.)

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

C. It is presently contemplated, and Schedule B provides, that after the First Closing a desk concierge/lobby attendant will be on duty at the lobby of the Building twenty-four (24) hours a day, seven (7) days a week and a doorman will be available between the hours of 8:00 a.m. to 11:00 p.m. seven (7) days a week. Notwithstanding the foregoing, at Sponsor's sole discretion, the doorman's hours of duty may be reduced until title to fifty (50%) percent of the Residential Units have been conveyed to Purchasers under the Plan, provided, however, that there will be at least one (1) doorman on duty at the Lobby of the Building eight (8) hours a day, seven (7) days a week after the First Occupancy. Since Sponsor is not limiting the conditions under which it will rent rather than sell Units, Purchasers are advised of the possibility that title to fifty percent (50%) of the Residential Units may never be transferred and accordingly full services described herein may never become available, except that all services required by Law shall be available as of the First Closing. (See Schedule B in Part I of the Plan for further details.)

48. Purchasers are advised that there is one (1) common laundry room planned in the Building, to be located on the cellar floor. A laundry closet equipped with washer and dryer units will be provided in each Residential Unit. The Rules and Regulations of the Condominium require low suds laundry detergent be used in all washer and dryers. Failure to use a low suds detergent may lead to the washer over flowing and causing a flood in the Residential Units in which event the Residential Unit Owner violating the Rules and Regulations will be liable for damages. (See the Section entitled "Description of Property" in Part II of the Plan for further details.)

49. The Contingency Fund provided for in Schedule B is intended to provide a fund for unanticipated expenses not included in Schedule B, for increases in operating expenses above the amounts projected and for payment of certain closing costs for the Resident Manager's Unit, if the Working Capital Fund is not sufficient to cover such costs. Each Purchaser of a

Residential Unit shall pay into the Working Capital Fund of the Condominium a sum of equal to two (2) months of Residential Common Charges for the Residential Unit being purchased. There are no limitations as to how the Working Capital Fund may be employed during any period, including the period that Sponsor controls the Residential Board (see the Section entitled "Control By Sponsor"). However, in no event shall any portion of the Working Capital Fund be used to pay any Residential Common Charges including Residential Common Charges attributable to Unsold Residential Units. (See the Section entitled "Working Capital Fund and Apportionments".)

50. Sponsor reserves the right to engage in negotiations with neighboring property owners to join or create a BID to perform similar functions as those provided by public BIDS and enter into a BID Agreement. In the event such BID Agreement is entered into, the entities executing such BID Agreement would be responsible for the costs of such services agreed to. Unit Owners would be responsible for the Condominium's pro rata costs associated therewith, as such costs are estimated and more particularly set forth in Schedule B. The costs of such BID Agreement would be payable as a General Common Expense.

51. A. The real estate tax estimates for each Residential Unit were calculated on the assumption that the assessed value for the residential portion of the Building for the First Year of Condominium Operation will be allocated in proportion to each Residential Unit's percentage interest in the Common Elements. The tax figures set forth on Schedule A are estimates only and actual real estate taxes for the First Year of Condominium Operation may be higher or lower than such estimates. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's purchase price or imputed market value rather than its Common Interest, and, if so, Residential Units having the same or similar Common Interest, may pay higher real estate taxes than are reflected on Schedule A. Sponsor, at its sole cost and expense, intends to apply for 421-a Benefits with respect to the Building pursuant to the 421-a Program. There is no guaranty or assurance that the criteria for availability of 421-a Benefits for the Residential Units will be satisfied or that a 421-a certificate of eligibility will be issued by the HPD. The 421-a Program has undergone major changes in recent years as a result of State and City legislation and changes in Rules by promulgated HPD, and there has been very little experience upon which to predict how the new provisions will be interpreted and implemented by New York City officials. If, for any reason, Sponsor's application for a 421-a certificate of eligibility is not approved, the Residential Units will be subject to full taxation and will receive no 421-a Benefits. **THE FACT THAT 421-A BENEFITS ARE ULTIMATELY NOT RECEIVED SHALL NOT BE A BASIS FOR A PURCHASER TO RESCIND AN AGREEMENT OR OTHERWISE FAIL TO CLOSE TITLE TO A RESIDENTIAL UNIT. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ALLOCATIONS TO THE INDIVIDUAL UNITS, 421-A BENEFITS OR TAX RATES WILL BE AS PROJECTED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE, IN PRIOR TAX YEARS, IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS WHICH WERE NOT CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.**

B. Even if a building receives 421-a Benefits, Purchasers should note that such benefits are only for a limited period (the "Benefit Period"), usually ten years in Manhattan south of 110th Street and 15 years in other parts of New York City, and that the 421-a Benefits decrease over the Benefit Period. At the expiration of the Benefit Period, Purchasers will be paying real estate taxes based upon the full assessed valuation of the Unit. For further information and updates on the 421-a Program, Purchasers are encouraged to visit the HPD website at http://www.nyc.gov/hpd.

C. Moreover, Purchasers should note that the real estate taxes for the First Year of Condominium Operation (assuming no 421-a Benefits) may be less than taxes would be for the second year of Condominium operation without 421-a Benefits since the first year's tax estimate includes a period of assessed valuation of the Property prior to the completion of the Building, which is a substantially lower valuation. (Please see the Section entitled "Real Estate Taxes," in Part I of the Plan for further details.) Further, as New York City changes assessed values and tax rates every year, future real estate taxes, either with or without 421-a Benefits, will not be the same as real estate taxes for the First Year of Condominium Operation.

D. Purchasers are cautioned that pursuant to rules and regulations issued by the HPD, if the Plan has not been declared effective for filing by the date which is fifteen (15) months after the HPD has issued the final 421-a Certificate of Eligibility, then as of such date, the Building, and all Residential Units as they become occupied, shall become rent stabilized and subject to the rent stabilization Laws applicable thereto for the entire period during which 421-a benefits are received. As of such date, the Sponsor must register with the DHCR the Building and all Residential Units as they become occupied. Any leases and renewals thereof to a Residential Unit that is required to be registered with the DHCR shall contain a notice of at least twelve (12) point type informing any such tenant that the Residential Unit shall be subject to deregulation upon the expiration of the 421-a tax benefit period and stating the approximate date on which such benefit period is expected to expire. If each lease and renewal thereof does not contain the aforementioned notice, then the Residential Unit shall remain rent stabilized after the expiration of the 421-a benefits until the Unit becomes vacant. During such rent stabilization period, the Residential Unit shall not be subject to luxury decontrol. After any such registration of the Building and applicable Residential Units with the DHCR, Sponsor shall amend the Plan to disclose the foregoing rights of existing tenants.

52. If the Building is not receiving 421-a Benefits, Individual Unit Owners may qualify for a partial abatement of real estate taxes pursuant to the Condominium Abatement Program. The abatement is not available to Sponsor, to any party owning more than three units in the Condominium or to nonresidential units. Historically, the abatement has been extended for periods of approximately three years but expired at the end of the 2011/12 tax year on June 30, 2012. Therefore, the Property will not benefit from the Condominium Abatement Program unless the program is renewed by the NYS Legislature. The amount of the abatement available under the Condominium Abatement Program has previously been equal to 17.5% (seventeen and one-half percent) of the real property taxes attributable to an eligible unit. In accordance with the terms of the Condominium Abatement Program, the abatement was available to condominium unit owners who were deemed eligible by the NYC DOF assuming all applicable filing and other statutory requirements were met. In order to be deemed eligible, the Building must have been assessed as a condominium for the tax year in question and it could not have the

benefit of any building-wide real estate tax exemption, such as that provided by the 421-a Program. If the program, which expired on June 30, 2012, were renewed, the Condominium Board would be responsible for filing the application for abatement on behalf of the Unit Owners. If the Condominium Board were to fail to meet applicable filing and other statutory requirements, under such program, the potential benefits would be lost for one or more years. The NYC DOF required, with respect to the expired program, that applications include a social security number or other taxpayer identification number for each owner of each unit for which the abatement was claimed. There is no guarantee that the NYS Legislature will renew the Condominium Abatement Program or what the terms will be.

53. Sponsor anticipates that it is likely that the Condominium will qualify as a homeowners association under Section 528 of the Internal Revenue Code. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election to be a homeowners association, the present state of the Law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion prepared by Stroock & Stroock & Lavan LLP and set forth in Part I of the Plan, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax (depending on whether the Condominium is properly classified as a corporation or a partnership for federal income tax purposes). Schedule B in Part I of the Plan does not contemplate any substantial income which might be taxable and accordingly does not specifically budget any amounts for taxes for nonmembership or membership income (but does budget for certain minimum taxes that might be due). Alternatively, if the Condominium is not properly treated as a separate taxable entity, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. (See the Attorney's Income Tax Opinion and the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium," in Part I of the Plan for further details).

54. It is anticipated that electricity for the Building will be provided by Consolidated Edison Company of New York or such other utility company providing electricity to the Building. The electricity consumed by each Unit will be separately metered and paid for by the individual Unit Owners. All electricity supplied to the General Common Elements of the Building will be separately metered and accounted as part of the Common Charges payable by all Unit Owners. Please refer to Schedule B- "Projected Budget for First Year Of Condominium Operation", Schedule B-1 – Projected Energy Costs" in Part I of the Plan and the "Description of Property" in Part II of the Plan for further details.)

55. Purchasers are advised that utility costs may increase dramatically during certain periods and there is no guaranty that the utility costs will be as estimated in the Plan given the current energy situation. (See Schedule B and Schedule B-1 entitled "Projected Energy Costs," in Part I of the Plan, and the "Description of Property" in Part II of the Plan for further details.)

56. The By-Laws provide that each Unit and all portions of the Common Elements will be kept in first-class condition (and with respect to any roof, Terrace or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or appropriate Board, whichever is responsible for the maintenance thereof. In the event a Unit Owner fails to keep its Unit or a Limited Common Element appurtenant thereto in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such failure. (See the subsection entitled "Rights of Access"). Each Unit Owner will be obligated to heat and cool its Unit so as to maintain the appropriate temperature and humidity in the Unit in order to avoid causing damage to the Common Elements or the Units, including, without limitation, freezing pipes.

57. Purchasers should note that, natural materials used as finishes have certain inherent risks associated with such use. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. Risks associated with all such wood products (including, without limitation, wood flooring, furniture, cabinetry (interior of cabinetry may or may not be the same material and/or color as the exterior) and molding) include but are not limited to the following: appearance of cracks between the floor boards, squeaks, variation in color, variation in wood grain, texture, occurrence of knots and cupping. Purchasers should note that since wood is a product of nature it can have a great deal of variability in color, grain, texture and appearance. It is the Unit Owner's responsibility to maintain the humidity level in its Unit. Lack of or excessive humidity can cause wood floors to crack, squeak, expand or shrink causing gaps, as well as cupping, which in turn may cause damage to any such wood product. Such expansion, contraction and cupping are more noticeable in dry seasons or periods, prolonged periods of high heat and/or humidity or extended periods of heat use. Cracks, occurrence of knots and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is affected by sunlight and often fades and changes with use and age. Some woods darken and some lighten when exposed to light. Wood flooring can also dent. Protective felt pads and protective sheeting such as plywood or masonite should always be used for furniture or appliances. A wet mop should not be used on the wood flooring because it can cause warping and cracking. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board of Managers" under subsection entitled "Rights of Access" set forth in Part I of the Plan.)

58. The exterior glass surfaces of all windows in the Residential Section, if so determined by the Residential Board, shall be washed and cleaned at the direction of the Residential Board and the cost and expense thereof shall be a Residential Common Expense and may be specially assessed against each Residential Unit Owner. Otherwise, the exterior of all windows in the Residential Section shall be washed or cleaned at the sole cost and expense of the Unit Owner. The interior glass surfaces of all windows located in any Residential Unit and the exterior and the interior glass surfaces of all windows located in the Commercial Unit shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Residential Board at the sole cost and expense of the owner of such Residential Unit. No replacement, modification or alteration may be made to or of the windows (other than replacement of the window panes) without the consent of the Condominium Board. All window treatments must be white when viewed from the outside of the Building. (See the Section entitled "Rights and Obligations of Unit Owners and

the Boards of Managers" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements," in Part I of the Plan for further details.)

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

60. A. Cooling towers and other mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located on the roof. In addition, a Building Maintenance Unit ("BMU") will be installed on the main roof of the Building. The BMU is designed to provide access by means of a suspended work platform to each side of the Building for window washing and other building maintenance. This suspended work platform is lowered from the BMU by means of a hoist located at the roof level and a custom designed telescoping boom, which allows for full building coverage with a minimal footprint on the roof. Intermittent stabilization anchors are to be provided in each façade of the building at approximately every third floor (in height) to restrain the platform within working distance of the façade. This system is compliant with all applicable Law for this industry. Purchasers are advised that the BMU, including without limitation, storage chests, washing rigs, ropes and related equipment, may be stored and/or placed temporarily on the Terraces during operation of same. Further, the BMU has been designated as a General Common Element for use by the Condominium and the Condominium Board will have an easement to access the Terraces from within or without the Unit for the purpose of temporarily storing, launching and operating the BMU from the Terrace. It is also possible that Purchaser may not be permitted to locate or store any furniture and/or other fixture on any Terrace which may, in the discretion of the Condominium Board, interfere with the use or operation of the BMU.

B. The Condominium Board, with respect to the General Common Elements, the Residential Board, with respect to the Residential Common Elements and Residential Limited Common Elements, and the Commercial Board, with respect to the Commercial Common Elements and Commercial Limited Common Elements, will be responsible for ensuring that the mechanical equipment located in the Building and at various roof levels is operated in accordance with Law. Sponsor makes no representation as to whether the operation of the BMU or any mechanical or other equipment located on any roof or set back would adversely impact the views from any Unit.

61. Sponsor shall have, and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building other than those portions which comprise Residential Limited Common Elements for any lawful purposes including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing satellite dishes and other communication equipment and similar

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

62. Unless caused by a failure of the Sponsor to comply with applicable Law and filed building plans and specifications, Sponsor is not responsible for nor can it make any guarantees regarding the level of noise or vibrations or odors resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Residential Unit Owners on their Terraces.

63. Sponsor has and shall retain the right to use the Reserved Spaces in perpetuity pursuant to license agreements with the Condominium Board, at no cost to Sponsor, and the Condominium Board shall be obligated to enter into such license agreements with Sponsor at Sponsor's request. Sponsor shall have the right to use and/or sublicense the Reserved Spaces to install Signs, satellite dishes, antennae, telecommunications equipment, communication facilities or similar equipment, or for purposes of storage or otherwise, even when Sponsor no longer owns any Units in the Condominium. Additionally, Sponsor has and shall retain the right to collect a fee for any such sublicenses or other usage fees in connection with the use of the Reserved Spaces. If Sponsor enters into such license agreements with the Board of Managers, Sponsor will amend the Plan to disclose same. Purchasers should be advised that in the event Sponsor utilizes its rights described above regarding the Reserved Spaces, the subject licenses with Sponsor may still be in effect and continue to benefit Sponsor even after Sponsor no longer owns any Units and the Residential Unit Owners will not have the right to use, license, lease or collect profits from such Reserved Spaces, which would have been otherwise available to Residential Unit Owners, if not for Sponsor's use of such Reserved Spaces. (See the Section entitled "Introduction – Features of Condominium Ownership" in Part I of the Plan of the Plan for further details.)

64. Terraces appurtenant to certain Residential Units, as described in Schedule A and the Floor Plans set forth in Part II of the Plan, are designated as Residential Limited Common Elements. Where a Terrace has been designated as a Residential Limited Common Element appurtenant to a Residential Unit, the Residential Unit Owner thereof will have the exclusive use of same, subject to the rights of the Boards to regulate its use and subject to rights of access to the Terrace (as set forth in the Declaration and By-Laws) for maintenance, repair and replacement and other uses (including the use of the Terrace as a platform for the BMU or other Window Washing Equipment or repairs to other areas of the Building). A Residential Unit Owner shall be responsible for all normal maintenance, repairs and replacements to the Terrace appurtenant to such Residential Unit Owner's Residential Unit. To the extent that a Residential Unit Owner modifies a Terrace or any portion thereof (which may be accomplished only in accordance with the requirements of the By-Laws), including without limitation, the installation of plantings and/or greenhouse enclosure(s), the Residential Unit Owner and its successor-in-interest shall assume full responsibility for the future repair and maintenance of such installations and any equipment installed as part of the installations and/or additions to the Terrace pursuant to the terms set forth in the Alteration Agreement which the Residential Unit Owner will be required to enter into with the Residential Board prior to commencing any installations and/or additions to a Terrace. Purchasers of Units with a Terrace will be required sign the Terrace Rider attached to the Agreement in Part II of the Plan. (See the subsection entitled "Features of Condominium Ownership" under the Section entitled "Introduction," in Part I of the Plan for further details.)

65. The costs and expense of any structural repairs or repairs or replacements to any Terrace (unless the need for such repairs is caused by a Residential Unit Owner), shall be charged to all Residential Unit Owners as a Residential Common Expense.

66. Special care will be necessary in the maintenance and cleaning of materials in the Residential Units. Natural stones such as marble or limestone have natural variations in colors and markings which require cleaning with neutral cleaners that are free of acidic or alkaline solutions, bleach, ammonia or abrasives that can break down sealers and damage the stone surface. The natural stone surfaces have been sealed so as to prevent absorption and staining. Such stone surfaces will require sealing and resealing at some point in the future. Such sealant will help with water absorption and staining which may alter coloration. Purchasers are advised that impregnating sealants, and daily stone cleaners, which have been especially developed, are recommended for proper maintenance.

67. Certain Residential Units will contain functional natural gas-burning fireplaces. Units containing fireplaces are identified on Schedule A set forth in Part I of the Plan and the Floor Plans for such Units set forth as an Exhibit in Part II of the Plan. The fireplaces will be part of each such Unit. The shafts, flues and chimneys will be Limited Common Elements appurtenant to each such Unit. Unit Owners whose Units contain fireplaces will be responsible for routine maintenance of same together with their appurtenant Limited Common Element shafts, flues and chimneys and must comply with all Laws applicable thereto, including inspections, and maintaining proper insurance. In accordance with applicable Law, the fireplace flues must be cleaned at least once annually at the Unit Owner's cost and expense using contractors approved by the Residential Board, unless otherwise determined by the Residential Board. All fireplaces will comply with the New York City Department of Buildings

requirements. Said fireplaces will not be convertible to wood-burning fireplaces. Sponsor makes no representation that in the future, gas operated fireplaces will be permitted in the City of New York as a matter of Law. Purchasers are advised to review Subchapter 14 of Title 27 of the New York City Department of Building Code entitled "Heating and Combustion Equipment" and the "Description of Property" each set forth as an Exhibit in Part II of the Plan.

68. It is the responsibility of each Residential Unit Owner to notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Residential Unit. Windows in the Residential Units will be mechanically fastened, with standard window limit stops. The Residential Unit Owner shall maintain all mechanically fastened window limit stops in all windows installed in its Unit and shall not remove same until permitted by applicable Law. A Residential Unit Owner must notify the Managing Agent before removing any window limit stop. Sponsor makes no representation that Residential Unit Owners will comply with the foregoing obligations. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers," in Part I of the Plan for further details.)

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

70. The proposed insurance coverage for the First Year of Condominium Operation does not include terrorism insurance, which is typically not maintained in the City of New York for residential buildings. There is no assurance that such insurance will be available in the future or at a price that the Condominium Board would be prepared to spend. It can be reasonably anticipated that without terrorism insurance, in the event of a terrorist attack, the Property would not be insured or would have insufficient insurance to rebuild or repair any damage and Unit Owners could be assessed to cover the costs of restoration and failure to pay such assessment could lead to a foreclosure of the Unit. Notwithstanding the above, the proposed insurance coverage and pricing for the First Year of Condominium Operation set forth in Schedule B in Part I of the Plan is typical for this type of condominium project and is adequate given the size of the Building. (See Note 10 of Schedule B set forth in Part I of this Plan for further details.)

71. Purchasers should note that the insurance coverage maintained on behalf of the Condominium does not cover the individual Units or any Unit or any property contained in a Unit (including without limitation, windows facing into each Unit which comprise part of the Unit). Pursuant to the By-Laws, each Unit Owner will, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) commercial personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any Limited Common Element appurtenant thereto or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property plus at least $2,000,000 umbrella liability coverage and (b)

tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for Alterations and betterments and loss due to water damage as well as personal property). The limits of liability and other requirements with respect to the Unit Owner's insurance may be modified by the Condominium Board from time to time.

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

73. Sponsor and any subsequent owner of the Commercial Unit have the right to subdivide and combine portions of their respective Unit, subject to the provisions of the Declaration and By-Laws. The Commercial Unit may be used for any lawful purpose, a variety of which uses may generate noise, vibrations, traffic, fumes or other disturbances over which the Residential Board and Residential Unit Owners may have no control. (See the Section entitled "Commercial Unit," in Part I of the Plan for further details.)

74. The Commercial Unit shares the cost for certain expenses based upon allocable percentage interest and shares other costs based upon anticipated usage. The Common Charges projected to be payable by the owner of the Commercial Unit are adequate and sufficient to cover the Common Expenses fairly attributable to the Commercial Unit. For further details regarding special allocations of Common Expenses and their financial impact upon all Units, please refer to Schedule B, the Section entitled "Introduction – Features of Condominium Ownership" and the paragraphs ""F" and "G" of the Section entitled "Commercial Unit", all in Part I of the Plan and the Declaration and By-Laws in Part II of the Plan.

75. The Condominium Board, the Residential Board and the Commercial Board, at the request of Sponsor or a Commercial Unit Owner, shall enter into a recognition agreement with any tenant with which Sponsor or a Commercial Unit Owner has entered into a lease for all or any portion of the Commercial Unit, pursuant to which, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Boards will agree that the rights of the tenants under the lease(s) will not be disturbed in the event of a default by the Commercial Unit Owner. At the request of a Commercial Unit Owner, the Boards shall also be obligated to provide a Commercial Unit Owner with an estoppel certificate in form and substance requested by any lender or tenant thereof. (See the Section "Commercial Unit," in Part I of the Plan for further details.)

76. A. Included in the Purchase Price of each Non-Studio Residential Unit is the right to the exclusive use of one Storage Bin, which use shall be granted by license ("Storage Bin License"). Sponsor will allocate the Storage Bins to each Purchaser at or prior to Closing. Each Storage Bin will measure approximately 7 feet high and will vary between 23-44 square feet in floor area, provided, however, the dimensions are approximate and subject to normal construction variances and tolerances, which Storage Bins are more particularly shown on the Floor Plan set forth as an Exhibit in Part II of the Plan. The Storage Bins shall be fabricated with heavy-duty wire mesh partitions and doors.

B. The Storage Bins will be located on a portion of the Cellar level of the Building and accordingly the Sponsor cannot make any representation as to whether the Storage Bins will remain dry. Neither the Sponsor nor the Condominium Board will be responsible for any damage to items placed in the Storage Bins. Residential Unit Owners who place items in the Storage Bins do so at their own risk and Purchasers are advised to consult with their insurance brokers regarding appropriate coverage for such stored items.

C. At the closing of title to the Residential Unit, the Purchaser must execute a Storage Bin License substantially in the form set forth as an Exhibit in Part II of the Plan. The provisions of the Storage Bin License and Condominium Declaration and By-Laws shall govern the use, access and Maintenance of the Storage Bins. The Storage Bins may only be used in accordance with Law and only for the storage of the personal effects of the Residential Unit Owner having exclusive access to such Storage Bin and nothing can be stored in the Storage Bins which would constitute a threat to the health or safety of the Unit Owners or other occupants of the Building or otherwise create a nuisance in the Building. Residential Unit Owners will be responsible for all normal Maintenance to their respective Storage Bins; however the costs and expenses of any structural or extraordinary repairs or replacements shall be a Common Expense charged to all Unit Owners. The Condominium Board has the authority to promulgate such other rules regarding use of and access to the Storage Bins.

D. In the event that a Storage Bin is not available for use and/or occupancy on the Closing Date due to the status of completion of the construction of the Building and Units, or a Temporary Certificate of Occupancy or Permanent Certificate of Occupancy (if required) is not obtained for such Storage Bin or for any other reason, Purchaser shall remain obligated to close title to its Residential Unit and pay the balance of the Purchase Price for such Residential Unit.

E. The Storage Bin License may only be assigned by the storage bin licensee to a person acquiring a Residential Unit or to another Residential Unit Owner in the Condominium. Upon conveyance of a Residential Unit, the Condominium Board will enter into a new Storage Bin License with the transferee of such Residential Unit, in the form set forth as an Exhibit in Part II of the Plan or in such form then required by the Condominium Board. In no event may a Residential Unit Owner retain use or rights to a Storage Bin after conveyance or transfer of such Residential Unit Owner's Unit. In the event a storage bin licensee elects to terminate a Storage Bin License or sells its Residential Unit and does not assign same to another Residential Unit Owner or to a person acquiring a Residential Unit, the rights to the Storage Bin in question will devolve to the Condominium Board and the Condominium Board shall have the right, in its sole discretion, to issue a new Storage Bin License to another Residential Unit Owner

or a person acquiring a Residential Unit at the Condominium or retain such Storage Bin. In addition, Residential Unit Owners may only lease their respective Storage Bins to other Residential Unit Owners in the Building, the Condominium Board or Sponsor, as the case may be. (See Section entitled "Description of Property and Improvements" under the subsection entitled "Services, Facilities and Amenities" set forth in Part I of the Plan and a copy of the form of the Storage Bin License and the Floor Plan for the Storage Bins set forth as separate Exhibits in Part II of the Plan.)

F. The foregoing restrictions shall not apply to Sponsor.

77. Sponsor believes that the Condominium is not subject to the Interstate Land Sales Full Disclosure Act found at 15 U.S.C.A §1701, et seq ("ILSFDA"). Specifically, 15 U.S.C.A. §1702(b)(1) exempts from ILSFDA the sale or lease of lots in a subdivision containing fewer than one hundred lots (Units). As more particularly set forth in this Plan, the Condominium contains a total of forty-five (45) Residential Units and one (1) Commercial Unit. The New York State Attorney General has not verified or approved the content of the foregoing ILSFDA disclosure.

78. Sponsor will install mechanical equipment 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 floor and equipment areas of the Building may perceive odors, noise and/or vibration from the equipment. The sole obligation of Sponsor and the Condominium Board with respect to such odors, noise and/or vibration, if any, shall be to install and operate such equipment in compliance with applicable Law, including the New York City Building Code, and in a manner consistent with commercially reasonable practices in typical luxury high-rise residential buildings. (See Section "Description of the Property and Improvements" in Part I of the Plan for further discussion).

79. The By-Laws provide that the Commercial Unit Owner shall have an easement to use the sidewalks adjacent to the Commercial Unit and other areas surrounding the Building for all purposes permitted by Law.

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

INTRODUCTION

A. Sponsor hereby presents this Offering Plan for the conversion to condominium ownership of the Land together with the Building containing forty-five (45) Residential Units and one (1) Commercial Unit. The Land and the Building are collectively referred to herein as the "Property." The Condominium will be known as "The 200 East 79th Street Condominium".

B. The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of forty-five (45) Residential Units on the 2nd through 20th floor of the Building to Purchasers. Residential Unit 2F is being sold by Sponsor to the Residential Board to be used as the Resident Manager's Unit. The Commercial Unit is not being offered for sale under this Plan. Sponsor reserves the right to divide the Commercial Unit without amendment to the Plan and to offer the Commercial Unit for sale by amendment to this Plan and service of such amendment to "offerees" as such term is defined in Section 20.1(d) of Title 13 NYCRR. To the extent not previously disclosed in the Plan, Sponsor will amend the Plan when the Plan is declared is effective by amendment to disclose (i) the percentages of Common Interest, (ii) the approximate number of units that will be built and (iii) the timetable for completing the Units.

C. The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the First Year of Condominium Operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein and Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor.

D. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge at Sponsor's office and for inspection and copying at reasonable fees at the offices of the Department of Law and may be borrowed from Sponsor upon payment of a two hundred ($200) dollar deposit, which amount is fully refundable.

E. Prices of Residential Units are not subject to approval by the Department of Law or any other government agency. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions," unless otherwise indicated.

F. All of these documents are important and should be carefully read by prospective purchasers. **PROSPECTIVE PURCHASERS ARE ALSO ADVISED TO CONSULT WITH THEIR OWN ATTORNEYS OR OTHER ADVISERS BEFORE AGREEING TO PURCHASE.**

The Condominium

A. On or about September 30, 2010, Sponsor acquired fee title to the Land and related structures thereon from 1389 Third Avenue Associates, LLC, 1387 2POP, LLC, 1383-1385 3POP, LLC and Torrey Ranch, LLC. The Building being constructed on the Land will

contain two (2) below-grade levels (the "Sub-Cellar" and the "Cellar"). There are 19 stories above grade. The floors in the Building are named (from bottom to top): Sub-Cellar, Cellar, First Floor, and Second through Twelve and Fourteen through Twentieth Floor and Roof. There is no floor designated as Floor 13 in the Building. Purchasers are advised that all references in the Plan and in marketing materials to "floors" are references to their "marketing" designations and may not correspond to the construction floor designations given to the floors on the plans submitted to the New York City Department of Buildings.

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

C. The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is the Condominium Act. The Property will be submitted to the provisions of the Condominium Act by Sponsor's recording of the Declaration. From and after the date of recording the Declaration, Sponsor will be the owner of the Units until each is sold or conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

D. There will be available to occupants of the Residential Section, certain luxury apartment type services and amenities, including, but not limited to, twenty-four (24) hour lobby attendant/concierge service, doorman, automatic elevators, cable television service, security systems, communication facilities, a Fitness Center and a Club Room. Sponsor does not warrant or guarantee that all of the foregoing services and amenities will be available until title to fifty (50%) percent of the Residential Units have been conveyed to Purchasers under the Plan, provided, however, that there will be at least one (1) doorman on duty at the Lobby of the Building eight (8) hours a day, seven (7) days a week after the First Occupancy.

E. Certain Residential Units will contain functional natural gas-burning fireplaces. Units containing fireplaces are identified on Schedule A set forth in Part I of the Plan and the Floor Plans for such Units set forth as an Exhibit in Part II of the Plan. The fireplaces will be part of each such Unit. The shafts, flues and chimneys will be Limited Common Elements appurtenant to each such Unit. Unit Owners whose Units contain fireplaces will be responsible for routine maintenance of same together with their appurtenant Limited Common Element shafts, flues and chimneys and must comply with all Laws applicable thereto, including inspections, and maintaining proper insurance. In accordance with applicable Law, the fireplace flues must be cleaned at least once annually at the Unit Owner's cost and expense using contractors approved by the Residential Board, unless otherwise determined by the Residential Board. All fireplaces will comply with the New York City Department of Buildings requirements. Said fireplaces will not be convertible to wood-burning fireplaces. Sponsor makes no representation that in the future, gas operated fireplaces will be permitted in the City of New York as a matter of Law. Purchasers are advised to review Subchapter 14 of Title 27 of the New York City Department of Building Code entitled "Heating and Combustion Equipment" and the "Description of Property" each set forth as an Exhibit in Part II of the Plan.)

F. The Commercial Section will initially include one (1) Commercial Unit located on a portion of the Cellar Floor and Ground Floor. The Commercial Unit will include space that may be utilized for any purposes permitted by Law, including, without limitation, retail purposes. No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Commercial Unit or as to who the tenants or occupants of any portion of the Commercial Unit may be at any time or as to the uses to which any portion of the Commercial Unit may be put at any time (except that the Commercial Unit may be used for any lawful purpose or as otherwise limited by the Plan.) The use of the Commercial Unit may generate noise, traffic fumes, vibrations or other disturbances over which the Condominium Board and Residential Unit Owners will have no control. It is anticipated that the Commercial Unit will initially be leased by the Sponsor to a retail tenant. Please refer to the Section of the Plan entitled Commercial Unit for further details.

Features of Condominium Ownership

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

B. Certain Residential Unit Owners have exclusive use of Terraces appurtenant to their Residential Units (subject to the rights of the Boards and Sponsor regarding access and use as more particularly described in the Declaration and By-Laws), and such Residential Unit Owners are responsible for all normal maintenance, repairs and replacements thereto. Terraces appurtenant to Residential Units are shown on Schedule A included in Part I of the Plan and the Residential Unit Floor Plans included in Part II of the Plan. To the extent that a Residential Unit Owner modifies a Terrace or any portion thereof (which may be accomplished only in accordance with the requirements of the By-Laws), including without limitation, the installation of plantings and/or greenhouse enclosure(s), the Residential Unit Owner and its successor-in-interest shall assume full responsibility for the future repair and maintenance of such installations and any equipment installed as part of the installations and/or additions to the Terrace pursuant to the terms set forth in the Alteration Agreement which the Residential Unit Owner will be required to enter into with the Residential Board prior to commencing any installations and/or additions to a Terrace. Purchasers are advised that the costs and expenses of any structural repairs or replacements to any Terrace (unless such structural repairs or replacements are necessitated by a Residential Unit Owner or its installations) shall be charged to all Residential Unit Owners as a Residential Common Expense. The type, size and quantity of plantings and other installations (including whether to all an enclosure and if so, to what extent) to be placed on Terraces and the rights of Residential Unit Owners to paint and decorate Terraces shall be subject to the prior written approval of the Residential Board. Please refer to the By-Laws and form of Alteration Agreement set forth in Part II of the Plan for further details.

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

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

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

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

G. The Residential Board will be responsible for deciding all matters solely concerning the Residential Section. Residential Unit Owners will have the right to vote for members of the Residential Board. The Commercial Board will be responsible for deciding all matters solely concerning the Commercial Section. Matters affecting all Units, Limited Common Elements or affecting the General Common Elements will be decided by the Condominium Board, which shall be comprised of representatives of the Residential Board and of the Commercial Board. Sponsor will control the Residential Board during the Initial Control Period and may control the Condominium Board after the expiration of the Initial Control Period

under certain circumstances. Please refer to the Sections of the Plan entitled "Control by Sponsor" and "Boards of Managers" in Part I of the Plan for further details.

H. Sponsor currently intends to sell the Units under the terms of the Plan. However, under the terms of this Plan, Sponsor and the owners of the Commercial Unit and Unsold Residential Units have reserved the unconditional right to rent or lease the Commercial Unit or any Unsold Residential Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion, or to use or offer the Commercial Unit and the Unsold Residential Units for any lawful purpose. Except where otherwise prohibited by Law, certain Residential Units may be occupied under short-term leases (having a term in excess of thirty (30) days). As such, residents of the Condominium may include both Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant portion of Residential Unit Owners will not be residents of the Building and that a significant number of occupants in the Building may not be Residential Unit Owners. As a consequence of the foregoing, a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. In addition, residents of the Condominium who are not Residential Unit Owners have different economic interests in their Residential Units and, therefore, do not share the same economic interests as Residential Unit Owners in the maintenance and care of the Building's facilities and amenities. Owner-occupants and non-resident Residential Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more Residential Units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

I. Construction of the Building is being financed by the Construction Lender, which financing is secured by a Construction Loan. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR. Under the terms of the regulations, Sponsor may not declare the Plan effective until Agreements are signed by bona fide purchasers (including investors) for fifteen percent (15%) of the Residential Units offered under the Plan. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Residential Units with fewer than the minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Residential Unit. While Sponsor currently intends to sell all of the Residential Units, Sponsor has reserved the unconditional right to stop marketing such Residential Units and there is no restriction under the Construction Loan on the right of the Sponsor to rent Unsold Residential Units. The Construction Loan does provide for minimum "release" prices as a condition to the Construction Lender releasing the lien of the Construction Loan from each Residential Unit upon the sale thereof. The Construction Loan does not establish an explicit requirement that the Sponsor sell rather than rent Residential Units.

J. If Sponsor makes a bulk sale (i.e. a sale of more than one Unit to a single Purchaser) of all or some of the Unsold Units, the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell Units. However, Sponsor has not

made any commitment to continue to sell the Units offered. (Please refer to the section titled "Rights and Obligations Of Sponsor" for more details).

K. As more particularly set forth in the By-Laws, the Boards will have the authority to manage the Condominium, and the Unit Owners will have the right to vote for the members of the Boards. As more particularly set forth in the By-Laws and in accordance with the Condominium Act, Real Property Law Sections 339-i and 339-m, the cost of operating and maintaining the Residential Common Elements will be Residential Common Expenses borne entirely by the Residential Unit Owners, the cost of operating and maintaining the Commercial Common Elements, if any, will be Commercial Common Expenses borne entirely by the Commercial Unit Owners. Premiums for insurance coverage of the Common Elements is a General Common Expense borne by all Unit Owners in proportion to their respective Common Interest. Residential Common Charges shall also be deemed to include any Special Assessment imposed by the Residential Board. The Residential Board will assess the Residential Common Expenses and the Residential Section's allocable share of General Common Expenses to the Residential Unit Owners in proportion to their respective Residential Common Interests except as otherwise expressly provided in the By-Laws. The Condominium Board cannot change the method of allocation of Common Expenses or increase the number of building employees servicing the Commercial Unit as set forth in Schedule B, without the consent of the Commercial Unit Owner. Please refer to Schedule B and Schedule B-1 "Estimated Energy Costs", Purchasers should note that the amounts budgeted for projected energy usage are based upon estimates made by Sponsor's consulting engineer. However, in view of the current energy situation, and the fact that energy costs have fluctuated greatly, it is not possible to predict whether the budgeted amount will be sufficient to pay for the actual costs incurred in the First Year of Condominium Operation and actual utility costs and Common Charges may be higher than projected in Schedule B.

L. The cost of Alterations to the Residential Section, which are Residential Common Expenses, will be determined by the Residential Board and assessed against all Residential Unit Owners in proportion to their respective Residential Common Interests. The estimated Residential Common Charges for each Residential Unit for the First Year of Condominium Operation are set forth in Schedule A. The Commercial Board will be responsible for collecting all sums necessary to meet the obligations of the Commercial Section including, without limitation, payment of its pro rata share of General Common Charges.

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

N. There are no limitations on who may purchase Residential Units. Sponsor will not knowingly accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under Law. Any Purchaser of a Unit which is a Governmental Entity may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under the Declaration for the payment of Common Charges and/or assessments and otherwise. Sponsor is not obligated to offer or sell any Residential Units and may, if it chooses, withhold one or more Residential Units for future sale. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Boards, any Residential Unit Owner, or mortgagee, to refuse to approve and execute an Agreement for any Residential Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, sex, disability, religion, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Residential Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder. (See the Section entitled "Procedure to Purchase" for more details).

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

Offering of Residential Units for Sale

A. Sponsor hereby offers 45 Residential Units to Purchasers for sale under the Plan. Residential Unit 2F is being sold to the Residential Board for use as the residence for the Resident Manager . All Residential Units offered for sale under the Plan are vacant. The prices for each of the Residential Units offered under the Plan are listed in Schedule A, "Offering Prices and Related Information for the Projected First Year of Condominium Operation.". **THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY ANY GOVERNMENTAL AGENCY.**

B. The estimated Residential Common Charges for each Residential Unit for the First Year of Condominium Operation are also set forth in Schedule A. Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan during the Waiver Period as of the First Closing. Sponsor shall be solely responsible for payment of Waiver Period Expenses during the Waiver Period. The Waiver Period shall terminate and the collection of Common Charges shall commence upon the earlier to occur of: (i) the date set forth in a notice from Sponsor to Owners (but in no event less than thirty (30) days prior to such termination), (ii) the date upon which Sponsor has conveyed title to seventy-five (75%) percent of the Residential Units, or (iii) the date upon which the third year of condominium operation commences. Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. However, during the Waiver Period, Sponsor will continue to update Schedule B to the extent required pursuant to Part 20 of Title 13 NYCRR. All Waiver Period Expenses paid by Sponsor during the Waiver Period are based on

the actual costs of operating the Building (including, without limitation, insurance premiums) and not on estimates set forth in Schedule B. There will not be an assessment of the Unit Owners for any line item in the budget which comprises Waiver Period Expenses. Waiver Period Expenses will not include (i) real estate taxes attributable to a Unit Owner's Unit, during any period during which the Unit may not be separately assessed or (ii) the funding of the Contingency Fund. Unit Owners will remain responsible for the payment of real estate taxes during the Waiver Period, which expenses shall be separately allocated to each Unit Owner based upon the Common Interest of such Unit, as more particularly set forth in Schedule A. In accordance with the terms of the By-Laws, Sponsor must maintain a listing of all receipts and expenditures during the Waiver Period. Purchasers are advised that Unit Owners will not be charged a Special Assessment after the expiration of the Waiver Period for expenses which would have otherwise been anticipated to have been funded through Common Charges, had there been no Waiver Period. Purchasers should further note that Sponsor anticipates that the services and amenities disclosed in this Plan will be completed by not later than the Services Completion Date; however, Purchasers should note that during the First Year of Condominium Operation (and/or during the Waiver Period) delivery of such services and amenities may be delayed due to delays in construction of the Building, Unavoidable Delays, and/or until title to fifty percent (50%) of the Units have been conveyed to Purchasers under the Plan. Notwithstanding, there will be at least one (1) doorman on duty at the Lobby of the Building eight (8) hours a day seven (7) days a week after the First Occupancy.

C. Included in the Purchase Price of each Residential Unit is the right to the exclusive use of one Storage Bin to be granted by license. (See Section entitled "Description of Property and Improvements" under the subsection entitled "Services, Facilities and Amenities" set forth in Part I of the Plan and see a copy of the Storage Bin License set forth as an Exhibit in Part II of the Plan.)

D. Sponsor has and shall retain the right to use the Reserved Spaces in perpetuity pursuant to license agreements with the Condominium Board, at no cost to Sponsor, and the Condominium Board shall be obligated to enter into such license agreements with Sponsor at Sponsor's request. Sponsor shall have the right to use and/or sublicense the Reserved Spaces to install Signs, satellite dishes, antennae, telecommunications equipment, communication facilities or similar equipment, or for purposes of storage or otherwise, even when Sponsor no longer owns any Units in the Condominium. Additionally, Sponsor has and shall retain the right to collect a fee for any such sublicenses or other usage fees in connection with the use of the Reserved Spaces. If Sponsor enters into such license agreements with the Board of Managers, Sponsor will amend the Plan to disclose same. Purchasers should be advised that in the event Sponsor utilizes its rights described above regarding the Reserved Spaces, the subject licenses with Sponsor may still be in effect and continue to benefit Sponsor even after Sponsor no longer owns any Units and the Residential Unit Owners will not have the right to use, license, lease or collect profits from such Reserved Spaces, which would have been otherwise available to Residential Unit Owners, if not for Sponsor's use of such Reserved Spaces.

E. At Closing, each Purchaser of a Residential Unit will be required to make a contribution to the Working Capital Fund of the Residential Section. Such contribution, to be made at the time of Closing of the Residential Unit, shall be in an amount equal to two (2)

month's Residential Common Charges in effect at the time of closing for each Residential Unit purchased. (See the Section entitled "Working Capital Fund and Apportionments").

F. In addition to the payment of Residential Common Charges, each Residential Unit Owner will be responsible for the payment of real estate taxes; interest and amortization payments on the mortgage, if any, which such Purchaser may, at such Purchaser's option obtain. The charges for electricity consumed by each Residential Unit Owner individually will be separately metered and billed directly to such Residential Unit Owner by the utility provider. Water charges and sewer rents, assessed by The City of New York, will be billed to the Residential Section as a Residential Common Expense. The costs and expenses of central heat and gas with respect to the Residential Section, will be included in Residential Common Charges; Residential Unit Owners will be required to pay charges for electricity consumed for air conditioning for each Residential Unit. Gas and water and sewer provided to the Commercial Unit will be separately metered. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Residential Unit. See the Notes to Schedule A with respect to the bases of such estimates.

G. The By-Laws provide that the Commercial Unit Owner shall have an easement to use the sidewalks adjacent to the Commercial Unit and other areas surrounding the Building for purposes permitted by Law.

CERTAIN DEFINITIONS

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

"421-a Benefits" refers to a partial exemption from real estate taxes with respect to the Building, pursuant to Section 421-a of the New York State Real Property Tax Law.

"421-a Program" refers to Section 421-a of the New York State Real Property Tax Law.

"Additional Deposit" refers to an additional deposit in an amount of ten (10%) percent of the Purchase Price required to be made by Purchaser under the Agreement.

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

"Alterations" shall mean alterations, additions, improvements, renovations, replacements and/or repairs (capital or otherwise, but other than routine Maintenance) to a Unit, or Common Element, or any portion thereof, which shall include both structural alterations and non-structural alterations.

"BID" refers to business improvement district, which is a partnership between property and business owners who elect to deliver supplemental services such as sanitation and maintenance, public safety and visitor services, marketing and promotional programs, capital improvements and beautification in a designated area.

"BID Agreement" refers to an agreement entered into between neighboring property owners and Sponsor to create a BID.

"BMU" refers to the Building Maintenance Unit as more particularly described in Special Risk 60.

"Board" or "Boards" refers to any or all of the Residential Board and the Commercial Board or the Condominium Board, as the case may be.

"Building" refers to the structure and improvements including above and below grade segments, known as 200 East 79th Street, New York, New York 10075 in which the Units of the Condominium are located.

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

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

"Closing" or "closing of title" refers to the time, place and procedure by which fee title to a Unit is conveyed from Sponsor to Purchaser by, among other things, the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the purchase price for such Unit pursuant to a fully executed Agreement.

"Closing Date" refers to the date on which a Closing or a closing of title to a Residential Unit occurs.

"Commercial Board" refers to the board of managers comprised of representatives of the Commercial Unit Owners.

"Commercial Common Charges" refers to amounts payable to the Commercial Board by the Commercial Unit Owners for the purpose of meeting (a) Commercial Common Expenses and (b) each Commercial Unit Owner's pro rata share of General Common Expenses.

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

"Commercial Common Expenses" shall have the meaning set forth in Section 6.1.3 of the By-Laws of the Condominium.

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

"Commercial Limited Common Elements" refers to those Common Elements, if any, which serve or benefit one or more but not all of the Commercial Unit and/or the Commercial Unit Owner, as more particularly defined in the Declaration.

"Commercial Section" refers to the Commercial Unit, the Commercial Common Elements and the Commercial Limited Common Elements, if any.

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

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

"Common Charges" refers to the aggregate of General Common Charges, Commercial Common Charges and/or Residential Common Charges.

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

"Common Expenses" refers to the General Common Expenses, the Residential Common Expenses and the Commercial Common Expenses.

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

"Condominium" refers to The 200 East 79th Street Condominium.

"Condominium Abatement Program" refers to a partial abatement of real estate taxes for residential condominiums through Tax Year 2011/12, which ended on June 30, 2012, pursuant to Section 467-a of the New York State Real Property Tax Law.

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

"Condominium Board" refers to the overall board of managers of the Condominium and comprises representatives of the Residential Board and the Commercial Board.

"Condominium Documents" refers to the Declaration, By-Laws, Floor Plans and the Plan and all other related documentation.

"Construction Lender" refers to Wells Fargo Bank, National Association individually and as agent for itself and any other lenders which participate in such financing to be used by Sponsor to construct the Building.

"Construction Loan" refers to mortgages, loans or other security agreements made by the Construction Lender to finance the construction of the Building.

"Contingency Fund" refers to a fund for unanticipated expenses included in Schedule B or any future budget and, for increases in operating expenses above the amounts projected in any budget.

"Controlling Party" refers to the individual controlling a Purchaser which is an entity.

"Custom Work" refers to work that Sponsor may agree to perform, in its sole discretion, including modification of Floor Plans and finishes of certain Residential Units or provide extras to the Residential Units if requested by individual Purchasers.

"Custom Work Costs" refers to the cost of the Custom Work, including materials and supplies ordered by Sponsor.

"Custom Work Deposit" shall have the meaning set forth in Special Risk 33 herein.

"Declaration" refers to the instrument creating the Condominium to be recorded in the City Register's Office, together with all schedules and exhibits thereto, as the same may be amended from time to time, the form of which is set forth in Part II of the Plan.

"Department of Law" refers to the New York State Department of Law (a/k/a the Office of the Attorney General).

"Deposit" shall collectively refer to the Initial Deposit and the Additional Deposit.

"Development Rights" shall have the meaning ascribed thereto in Section 2.2 of the Declaration which is set forth in Part II of the Plan.

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

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

"Escrow Agent" refers to Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, any Escrow Agent designated by Sponsor or any successor Escrow Agent at the time in question.

"Estoppel Letter" shall mean a statement from a Board requested by any seller or purchaser of a Residential Unit setting forth the amount of any unpaid Common Charges accrued against the Residential Unit and that neither seller nor purchaser shall be liable for, nor shall the Residential Unit be conveyed subject to a lien for any unpaid Common Charges against such Residential Unit accrued prior to such conveyance in excess of the amount set forth in such statement.

"Event of Default" or "default" shall have the meaning ascribed thereto in the Agreement which is set forth in the Agreement set forth in Part II of the Plan.

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

"FDIC" refers to the Federal Deposit Insurance Company.

"First Annual Meeting" shall have the meaning ascribed thereto in Section 3.1 of the By-Laws set forth in Part II of the Plan.

"First Closing" refers to the date of the first closing of fee title to a Residential Unit to a Purchaser pursuant to the Plan.

"First Occupancy" refers to the first date, subsequent to the First Closing, that a Purchaser moves into and occupies a Unit.

"First Year of Condominium Operation" refers to the period set forth herein in Schedule B – Projected Budget for First Year of Condominium Operation, in Part I of the Plan, which period may be amended from time to time by Sponsor, pursuant to a duly filed amendment to the Plan.

"Floor Plans" refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the New York City Department of Finance, Division of Land Records, Tax Map Unit and filed with the City Register's Office.

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

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

"General Common Expenses" shall have the meaning set forth in Section 6.1.1 of the By-Laws of the Condominium.

"Governmental Agency Mortgage" means a mortgage on a Residential Unit that has been purchased, securitized, insured or guaranteed by any federal, state or city agency, or any quasi-governmental or government sponsored enterprise.

"Government Entity" and "Government Entities" refers to any Purchaser of a Unit which is a government or governmental mission, or a department, agency or consulate of a government, or any other party who or which may be entitled under applicable laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America.

"HPD" refers to the New York City Department of Housing Preservation and Development.

"Initial Control Period" refers to the period during which Sponsor shall hold a majority of seats on the Residential Board, which period shall be five (5) years from the date of the First Closing.

"Initial Deposit" refers to the initial deposit in an amount equal to fifteen (15%) percent of the Purchase Price required to be made by Purchaser under the Agreement.

"Interim Lease" refers to any lease or use and occupancy agreement entered into by Purchaser or any other persons for a Residential Unit in accordance with the terms of the Plan.

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

"Law or Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments; rules, regulations, orders, codes and directives of any or all

departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities having jurisdiction over the Property, the Land, the Building, the Units or any portion of any of the foregoing; any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing; the direction of any public officer pursuant to law; and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Limited Common Elements" refers to the Residential Limited Common Elements, and Commercial Limited Common Elements as more particularly defined in the Declaration.

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

"Majority of Unit Owners" shall have the meaning ascribed to it in Section 3.10 of the By-Laws set forth as an Exhibit in Part II of the Plan.

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

"Management Agreement" refer to that certain management agreement effective as of the First Closing with the Managing Agent or that certain management agreement in effect at the time in question.

"Mansion Tax" refers to the New York State Additional Tax, pursuant to Article 31 of the Tax Law, which is currently one percent (1%) of the Purchase Price to be computed as set forth in the Plan.

"Master Escrow Account" refers to the master escrow account Escrow Agent has established at JPMorgan Chase Bank, N.A. at its branch located at One New York Plaza, New York, New York 10081 entitled Stroock & Stroock & Lavan LLP, Escrow Account No. [redacted]

"Non-Studio Residential Units" refers to all Residential Units which are not Studio Units.

"NYC DOF" means the New York City Department of Finance.

"NYC RPT Tax" refers to the New York City Real Property Transfer Tax to be computed as set forth in the Plan.

"NYS Tax" refers to the New York State Real Estate Transfer Tax to be computed as set forth in the Plan.

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

"Permanent Certificate of Occupancy" refers to a final certificate of occupancy issued by the New York City Department of Buildings approving the legal use and/or occupancy of the Building which may be issued when the completed work in the Building complies with the filed plans and specifications submitted to the New York City Department of Buildings and applicable Laws, all necessary approvals have been obtained from other City agencies, all fees owed to the Department of Buildings are paid and all relevant violations, if any, are resolved.

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

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

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage.

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

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

"Power of Attorney" refers to the form of Power of Attorney contained in Part II of the Plan.

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

"Purchase Money Mortgage" refers to any mortgage executed and delivered by the Residential Board, on behalf of all Residential Unit Owners, in connection with the purchase and finance of the Resident Manager's Unit.

"Purchase Money Note" refers to any note executed and delivered by the Residential Board, on behalf of all Residential Unit Owners, in connection with the payment of the Purchase Price and associated costs for the purchase and finance of the Resident Manager's Unit.

"Purchase Price" refers to purchase prices provided in Schedule A for each Unit, as same may be amended from time to time by Sponsor.

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

"Required Documentation" refers to such applications, permits, certifications, affidavits, forms, agreements, acknowledgments or other documents as may be required to enable the Sponsor to exercise its rights or obligations under this Plan or the Declaration and the By-Laws,

including, without limitation, Sponsor's rights to deal with the available Development Rights and to undertake, perform and complete such work to the Units and Common Elements.

"Reserved Spaces" means and includes those portions of the Residential Common Elements (other than any portion thereof which is designated as a Residential Limited Common Element) which are not expressly reserved for other purposes as provided herein (such as, without limitation, the Roof and façade of the Building (other than windows located in Residential Units), the Courtyard, or the rooms or areas where the Storage Bins, the Bicycle Storage Room, Fitness Center, Youth Activity and Recreation Room, the Residential Lounge and the Laundry Room are located.

"Resident Manager" shall mean the resident manager of the Residential Section or any successor resident manager of the Residential Section at the time in question.

"Resident Manager's Unit" refers to the Unit chosen by Sponsor, in its sole discretion, to be used as the Resident Manager's residence in accordance with the terms of the Plan.

"Residential Board" refers to the board of managers representing the Residential Unit Owners.

"Residential Common Charges" refers to amounts payable to the Residential Board by Residential Unit Owners for the purpose of meeting (a) the cost of the Residential Common Expenses and (b) each Residential Unit Owners' pro rata share of the General Common Expenses.

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

"Residential Common Expenses" shall have the meaning set forth in Section 6.1.2 of the By-Laws.

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

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

"Residential Mortgage Representatives" shall have the meaning set forth in Section 7.5.1 of the By-Laws.

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

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

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

"Restoration Costs" refers to the reasonable cost to restore a Unit to the condition it was in prior to performance of any Custom Work.

"Rule Against Perpetuities" shall have the meaning ascribed thereto in Section 9.1 of the New York State Estates, Powers and Trusts Law.

"Rules and Regulations" refers to the rules and regulations made in accordance with the By-Laws and attached thereto, as same may be amended by the Board(s).

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

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

"Selling Agent" refers to Stribling Marketing Associates, LLC, or any successor selling agent at the time in question.

"Services Completion Date" means on or about August 31, 2013.

"Signs" refer to any signs, awnings, marquees, canopies, banners, flags, pennants, aerials, antennas or the like permitted by Law which may be placed on the Property.

"Special Assessments" shall have the meaning ascribed thereto in Section 6.1.6 of the By-Laws.

"Sponsor" refers to 200 East 79th Street LLC, a New York limited liability company, and its successors, assigns or designees.

"Sponsor Control Period" refers to the period during which Sponsor shall hold a majority of seats on the Residential Board beyond the Initial Control Period if Sponsor's nominees receive a majority of votes cast at any election of the Residential Board (whether from Sponsor or other Unit Owners).

"Sponsor's Counsel" refers to Stroock & Stroock & Lavan LLP or such other legal counsel as Sponsor may designate.

"Sponsor ROFR Period" shall have the meaning ascribed to it in Special Risk 36 set forth in the Special Risks section of Part I of the Plan and in Article 8 of the By-Laws set forth as an Exhibit in Part II of the Plan.

"Storage Bins" shall mean any Storage Bin located below-grade, on a portion of the Cellar level of the Building, as more particularly shown on the Floor Plan set forth as an Exhibit in Part II of the Plan, and shall include the structural framework and materials out of which the Storage Bin is constructed. Each Storage Bin shall be deemed a Residential Common Element of the Condominium. Any reference in the Plan to "the exclusive use of a Storage Bin by a Residential Unit Owner" shall mean that Residential Unit Owner has entered into a license for use of a Storage Bin.

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

"Studio Unit" refers to any Residential Unit which is identified on Schedule A as a studio, i.e. a residence consisting of no separate bedroom and one bathroom.

"Substantial Completion Date" is estimated to be on or about August 31, 2013.

"Temporary Certificate of Occupancy" refers to a certificate of occupancy issued by the New York City Department of Buildings which (i) approves the legal use and/or occupancy of the Building or any of the Units or portion of the Building and/or Units thereof and (ii) is temporary and subject to expiration.

"TCO Date" is estimated to be in the month of February, 2013.

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

"Transfer Taxes" means and includes the NYC RPT Tax, the NYS Tax, and if applicable, the Mansion Tax.

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

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

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

"Unsold Commercial Unit" refers to any Commercial Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained,

by (i) Sponsor, (ii) any party designated by Sponsor as a "sponsor" under the Plan (iii) any party designated by Sponsor as the owner of an Unsold Commercial Unit, (iv) the holder of a Permitted Mortgage given by a Sponsor or (v) the designee of a holder of such a Permitted Mortgage.

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

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

"Waiver Period" refers to the period of time after the First Closing and prior to full occupancy of the Building during which the Sponsor, at its sole option, may elect to pay the Waiver Period Expenses.

"Waiver Period Expenses" refers to the actual costs and expenses required to actually operate the Building during the Waiver Period. Waiver Period Expenses will not be based on the estimates set forth in Schedule B. The Waiver Period Expenses shall not include real estate taxes or a Purchaser's allocable share of the property insurance premium attributable to its respective Unit during the Waiver Period, which expenses shall be separately assessed to each Purchaser based upon the Common Interest of such Unit, as more particularly set forth in Schedule A.

"Window Washing Equipment" refers to the BMU or other equipment used to wash the Exterior Facade including, without limitation, storage chests, washing rigs, ropes, davits and related equipment located in the locations set forth in the Final Plans and delineated on the Floor Plans.

"Working Capital Fund" refers to the fund which will be held and used for working capital, for closing costs and adjustments in connection with the Resident Manager's Unit, or for such other appropriate purposes as will be determined by the Residential Board. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further information).

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Construction of the Building

A. The Land is situated on a parcel located that is part corner lot and part interior lot on the South side of East 79th Street and the East side of Third Avenue in the Borough of Manhattan. It is anticipated that there will be no roads constructed by Sponsor with respect to the Building and/or Condominium. Access to the Residential Lobby of the Condominium is available from East 79th Street.

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

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

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

E. Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building, which are not intended for the exclusive use of any particular Unit Owner, and Custom Work if any, the Residential Units will be substantially completed by the Substantial Completion Date and a first Temporary Certificate of Occupancy with respect to portions of the Building will be obtained on or about the TCO Date, both subject to Unavoidable Delays. Sponsor does not, however, warrant or guarantee the foregoing completion or occupancy dates for the Building. The first Temporary Certificate of Occupancy may issue for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others. Accordingly, Purchasers should be aware that they may be required to close title to their Residential Units while construction in other Units is continuing, possibly, for extended periods of time and that noise, dust, vibrations, odors

and other objectionable conditions inherent in a construction site may inconvenience Residential Unit Owners after they have taken occupancy of their Residential Units.

F. As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable Laws and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Residential Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable Law, there is no warranty as to sound transmission. Unless caused by a violation of Law, there is no warranty as to odors. Unless caused by a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality in any Unit or the Building. The Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and filed building plans and specifications, and any conflict between (a) the disclaimers and (b) the Sponsor's obligation to construct the premises in accordance with all applicable Laws and filed building plans and specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the items set forth in this paragraph (whether based on negligence, breach of contract, warranty, or otherwise).

G. Except as noted herein, Sponsor makes no representations or warranties regarding building construction in the geographic area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Residential Unit or Terraces (if any). In addition, Sponsor shall not be responsible for obstructed and/or adversely impacted views from Residential Units or Terraces (if any) located on the lower floors of the Building due to trees, landscaping and/or lamp posts erected at the street level. Purchasers should also note that due to the unique shape of the Building certain Residential Units may look into other Residential Units. Further, construction performed at neighboring properties may create noise, vibration, dust, traffic and other disturbances over which Unit Owners will have no control. Purchasers are advised that the owner of the property located at 135 East 79th Street is constructing a new mixed-use condominium thereon. See the Section entitled "Description of Property and Improvements" under the Subsection "Construction of the Building" in Part I of the Plan and the Description of Property set forth in Part II of the Plan.

H. Sponsor has engaged Cetra/CRI Architecture, PLLC as architects for the Building, MG Engineering, P.C. as mechanical, electrical and plumbing engineers of the Building and WSP Cantor Seinuk as structural engineer of the Building. Construction of the Building is being financed by the Construction Lender, which construction financing is secured, among other things, by mortgages and security agreements.

I. Sponsor reserves the right to amend or modify the Plans and Specifications in any way not material to this offering or in a manner disclosed in this offering, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design details set forth therein or in the "Description of Property" set forth in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially

equal or better quality, except that no change will be made in the size or number of Units or their respective percentages of Common Interest except by amendment to the Plan and the Declaration, if applicable. None of the foregoing shall give rise to a right of rescission on the part of any Purchaser and may be made without prior notice or amendment to the Plan.

Residential Units

A. Subject to the rights of Sponsor and/or the owner of any Unsold Residential Unit to change the number of Residential Units, there will be a total of 45 Residential Units situated on marketing floors two (2) through twenty (20) of the Building. Descriptions of the Residential Units are set forth in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A, "Offering Prices and Related Information for the Projected First Year of Condominium Operation" for further details.

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

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

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

E. A Residential Unit Owner may only use such Residential Unit Owner's Residential Unit for a purpose consistent with the local zoning ordinance, as amended from time

to time, and any other applicable Laws, including, but not limited to, local building codes and the Multiple Dwelling Law, as such statutes, ordinances and regulations may be amended from time to time, but in no event may a Residential Unit Owner use such Residential Unit Owner's Residential Unit for a use in violation of the By-Laws.

Resident Manager's Unit

A. At or subsequent to the First Closing, Sponsor will sell Residential Unit 2F in the Condominium to the Residential Board, to be used as the Resident Manager's Unit. The Residential Board shall be responsible for the payment of all mortgage recording taxes, title insurance, recording fees and Transfer Taxes due in connection with the transfer and mortgage of the Resident Manager's Unit to the Residential Board. All Common Charges, including the costs of utilities and the costs of financing the purchase of the Resident Manager's Unit, real estate taxes and the costs of Alterations undertaken by the Residential Board attributable to the Resident Manager's Unit shall be borne by all Residential Unit Owners as a Residential Common Expense. The Purchase Price of Residential Unit 2F is $1,474,800. At the closing of title to the Resident Manager's Unit, the Residential Board, on behalf of all Residential Unit Owners may pay the Purchase Price and associated costs by executing and delivering one or more Purchase Money Note(s) in the aggregate amount of $1,474,800 secured by one or more Purchase Money Mortgage(s) on the Resident Manager's Unit. The Purchase Money Note will be for a term of fifteen (15) years from the First Closing with principal and interest due thereunder at the annual rate of four and one-half percent (4.5%) payable monthly, based upon a thirty (30) year self-liquidating amortization schedule. Upon the maturity date of the Purchase Money Note, assuming the Residential Board is not in default thereunder, all interest and outstanding principal in the approximate amount of $976,818 will be due and payable. Sponsor does not intend to refinance or extend the Purchase Money Note and Purchase Money Mortgage at maturity. Purchasers are advised that refinancing by another lender may not be available and that the Residential Board, in order to repay the Purchase Money Note, may be required to assess all Residential Unit Owners in proportion to their respective Residential Common Interests. In addition, the interest rate payable under the Purchase Money Note may or may not be higher than the rate offered at any time by institutional lenders to individual Purchasers purchasing their Residential Units for occupancy. At Sponsor's option, the Purchase Money Note(s) and Purchase Money Mortgage(s) will be held by an institutional lender or by Sponsor. The mortgage recording taxes, title insurance, recording fees and Transfer Taxes due in connection with the transfer and mortgage of the Resident Manager's Unit to the Residential Board will be paid by the Residential Board from the Contingency Fund set forth in Schedule B or the Working Capital Fund. In the event the Contingency Fund or Working Capital Fund is not sufficient, Sponsor will advance the funds necessary on behalf of the Residential Board and the Residential Board will repay Sponsor by executing a promissory note in the amount of the funds so advanced, to be repaid, without interest, in twelve equal monthly installments.

B. In the event the Residential Board defaults under the Purchase Money Note(s) and Purchase Money Mortgage(s) pursuant to their terms, including, but not limited to a default as the result of the Residential Board's failure to pay the balance of the Purchase Money Note due at maturity, the holder may foreclose on the Resident Manager's Unit and if the proceeds from the sale of the Resident Manager's Unit are insufficient to satisfy the outstanding mortgage balance and other fees incurred, the Residential Unit Owners could be liable and assessed by the

Residential Board for the deficiency based upon each Residential Unit Owner's respective Common Interest. In the event of such a foreclosure, the Condominium will be without a Resident Manager's Unit. Accordingly, alternate arrangements will be necessary and the Residential Board may either: (i) employ a superintendent for the Building who will be provided with an apartment within a distance of one block or two hundred feet from the Building or (ii) employ a twenty-four hour a day janitorial service for the Building in accordance with the provisions of the New York City Housing Maintenance Code. (See the Section entitled "Schedule B – Projected Budget for First Year of Condominium Operation" for a further discussion of the costs involved in maintaining the Resident Manager's Unit.)

C. Sponsor reserves the right, in its sole discretion, to choose a different Residential Unit other than Residential Unit 2F to sell to the Residential Board as the Resident Manager's Unit. Please refer to Schedule B in Part I of the Plan for further details regarding the costs of housing the Resident Manager.

D. Sponsor reserves the right to not to sell a Residential Unit to the Residential Board for a period of up to six (6) months from the First Closing during which period Sponsor will rent the Residential Unit occupied by the Resident Manager to the Residential Board. In such event, from the date of the First Closing until the transfer of title of the Resident Manager's Unit, the Condominium shall pay to Sponsor, rent in an amount equal to the sum of the following: (a) principal and interest which would have been due on the Purchase Money Note, had same been executed by Condominium Board, (b) Common Charges assessed against the Residential Unit occupied by the Resident Manager and (c) real estate taxes assessed against the Residential Unit occupied by the Resident Manager. In the event Sponsor exercises the right to rent the Residential Unit to the Residential Board, the rental payments will not be credited against the purchase price. Please refer to Schedule B in Part I of the Plan for further details regarding the costs of housing the Resident Manager.

Commercial Unit

A. As more particularly described in the Section of the Plan entitled "Commercial Unit," in the Declaration and the "Description of Property," the Commercial Section will be situated on portions of the cellar and ground floor of the Building. The Commercial Section will initially consist of one (1) Commercial Unit. The Commercial Unit will include space that may be utilized for any purposes permitted by Law, including, without limitation, retail purposes. No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Commercial Unit or as to who the tenants or occupants of any portion of the Commercial Unit may be at any time or as to the uses to which any portion of the Commercial Unit may be put at any time (except that the Commercial Unit may be used for any lawful purpose or as otherwise limited by the Plan.) The use of the Commercial Unit may generate noise, traffic fumes, vibrations or other disturbances over which the Condominium Board and Residential Unit Owners will have no control. Sponsor has entered into a lease, dated as of June 6, 2012, for a portion of the Commercial Unit for a term of fifteen (15) years.

B. Purchasers are advised that Sponsor shall perform all work to complete the Common Elements in accordance with Description of Property in Part II of the Plan. In order for a Permanent Certificate of Occupancy to be issued for the Building, it will be necessary for

Sponsor to complete the Common Elements. In the event that all work to complete the Common Element is not completed by the time the Temporary Certificates of Occupancy expires, Sponsor will endeavor to renew same and in the event the Temporary Certificate of Occupancy expires, the Building and all Unit Owners may become subject to violations, which may result in fines or even eviction from the Building. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.

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

D. The Residential Board will have no right to restrict or limit the method of operation or of any uses of the Commercial Unit which are permitted by Law. The Commercial Board may adopt rules or approve changes relating solely to the Commercial Unit, including rules of operation. No rules affecting the operation of the Commercial Unit may be adopted or modified by the Condominium Board without the consent of the Commercial Board. All or any part of the Commercial Unit may be leased or subleased by the Commercial Unit Owners, all as more fully set forth in the Declaration. The Commercial Unit may be sold without prior notice except that the Plan must first be amended should the Commercial Unit be offered for sale. A Commercial Unit may be divided by the Commercial Unit Owner thereof. (See the Section entitled "Changes in Prices and Units"). The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any space in the Commercial Unit.

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

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

General Common Elements

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

Residential Common Elements

The Residential Common Elements include, among other things, the following: (a) passenger elevator Number 1 and passenger elevator Number 2 (including their shafts, pits, machinery and appurtenant facilities); (b) the Fitness Center, Club Room, refuse room and Courtyard at the second floor of the Building; (c) the vestibule, residential lobby, and residential entrances, the mailroom, the package room, the storage room and the toilet facilities on the first floor of the Building; (d) the Storage Bins, the Common Laundry Room, the Youth Activity and Recreation Room, the Bicycle Storage Area, the Refuse Room and refuse chutes, the Fire Pump Room, Water Meter Room, Gas Meter Room, Telecommunications Room, Emergency Distribution Room, and Emergency Generator Room located on the Cellar of the Building, (e) the passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Residential Section; (f) electric panels, closets, feeders and risers serving the Residential Section; (g) the windows in the Residential Section which do not exclusively open into a Residential Unit; (h) all columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls from above the slab over the first floor of the Building to the roof (except to the extent same are Commercial Common Elements); (i) all mechanical space and other rooms, areas and spaces located in the Building serving exclusively the Residential Units,

the Residential Common Elements and the Residential Limited Common Elements and which are not General Common Elements, Commercial Common Elements, or part of any Unit; and (j) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit exclusively the Residential Units and which are not owned by another entity such as the supplier, servicer or installer of the systems. A detailed description of the Residential Common Elements is contained in the Declaration in Part II of the Plan.

Residential Limited Common Elements

The Residential Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners. At the present time the Residential Limited Common Elements consist of the Terraces appurtenant to certain Residential Units as reflected on Schedule A set forth in Part I of the Plan, as well as, the shafts, flues and chimneys appurtenant to those certain Residential Units containing a fireplace. A detailed description of the Residential Limited Common Elements is contained in the Declaration in Part II of the Plan.

Terraces

A. As indicated in Schedule A, Terraces are appurtenant to certain Residential Units and are included in the purchase prices therefor. Terraces are Residential Limited Common Elements. Purchasers of Residential Units with Terraces will be required to execute the Terrace Rider to Agreement set forth in Part II of the Plan. A Residential Unit Owner who has a Terrace appurtenant to such Residential Unit Owner's Residential Unit shall have the exclusive use of same, subject to the right of the Residential Board to access the Terrace and to regulate its use (as more particularly described in the Declaration and By-Laws), and shall be responsible for all normal Maintenance thereto. However, the costs and expenses of any structural repairs or repairs or replacements to any Terrace (unless caused by its Residential Unit Owner) shall be charged to all Residential Unit Owners as a Residential Common Expense.

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

Fireplaces

Certain Residential Units will contain functional natural gas-burning fireplaces. Units containing fireplaces are identified on Schedule A set forth in Part I of the Plan and the Floor Plans for such Units set forth as an Exhibit in Part II of the Plan. The fireplaces will be part of each such Unit. The shafts, flues and chimneys will be Limited Common Elements appurtenant to each such Unit. Unit Owners whose Units contain fireplaces will be responsible for routine maintenance of same together with their appurtenant Limited Common Element shafts, flues and chimneys and must comply with all Laws applicable thereto, including inspections, and maintaining proper insurance. In accordance with applicable Law, the fireplace flues must be cleaned at least once annually at the Unit Owner's cost and expense using contractors approved by the Residential Board, unless otherwise determined by the Residential Board. All fireplaces will comply with the New York City Department of Buildings requirements. Said fireplaces will not be convertible to wood-burning fireplaces. Sponsor makes no representation that in the future, gas operated fireplaces will be permitted in the City of New York as a matter of Law. Purchasers are advised to review Subchapter 14 of Title 27 of the New York City Department of Building Code entitled "Heating and Combustion Equipment" and the "Description of Property" each set forth as an Exhibit in Part II of the Plan.

Commercial Common Elements

The Commercial Common Elements include, among other things, the following: (a) all columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls located within any Commercial Unit or separating a Commercial Unit from a Residential Unit or a Residential Common Element; (b) stairways for the exclusive use of the Commercial Section (which are not part of any Commercial Unit); and (c) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits, and lines) which serve or benefit exclusively the Commercial Unit or the Commercial Unit Owner. A detailed description of the Commercial Common Elements is set forth in the Declaration in Part II of the Plan. The Commercial Unit Owner will have the right to grant easements permitting access between any Commercial Common Element or other portion of the Commercial Section and any property adjoining the Land, including the right to penetrate any General Common Elements and Commercial Common Elements located between the Commercial Units (if the initial Commercial Unit shall be subdivided) and such adjoining property, provided such penetration does not materially weaken the structural soundness of the Building.

Commercial Limited Common Elements

The Commercial Limited Common Elements include those portions of the Building, if any, which are available for the exclusive use of the Commercial Unit Owner or, in the event that the Commercial Unit is subdivided, is available for the exclusive use of some but not all of the Commercial Units. The costs of Maintaining and operating the Commercial Limited Common Elements shall be borne by the Commercial Unit Owner having exclusive access thereto or utilizing or benefiting from the same. A detailed description of the Commercial Limited Common Elements is contained in the Declaration in Part II of the Plan.

Services and Facilities

Under present plans and except as stated hereinbelow, all of the services and facilities described herein may not be available to Residential Unit Owners until fifty percent (50%) of the Residential Units have been conveyed to Purchasers under the Plan.

a. Doorman/Concierge

It is presently contemplated, and Schedule B provides, that after the First Closing a desk concierge/lobby attendant will be on duty at the lobby of the Building twenty-four (24) hours a day, seven (7) days a week and a doorman will be available between the hours of 8:00 a.m. to 11:00 p.m. seven (7) days a week. Notwithstanding the foregoing, at Sponsor's sole discretion, the doorman's hours of duty may be reduced until title to fifty (50%) percent of the Residential Units have been conveyed to Purchasers under the Plan, provided, however, that there will be at least one (1) doorman on duty at the Lobby of the Building eight (8) hours a day seven (7) days a week after the First Occupancy.

b. Elevator Service

Two (2) automatic passenger elevators will be in service, twenty-four (24) hours a day, seven (7) days a week, for the use of Residential Unit Owners. Passenger elevator Number 2 shall accommodate an ambulance stretcher. A third elevator serving the Sub-Cellar, Cellar and First Floor will also be available for the use of all Residential Unit Owners as a service elevator.

c. Cable Television Service

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

d. Electrical Systems and Telephone Service

Electrical service will be provided to Residential Unit Owners by Consolidated Edison Company of New York or such other utility company, which will bill such Residential Unit Owners directly for electricity utilized. Local and long distance telephone service (land,

wireless and voice over internet) can be provided by Verizon or such other telephone service provider as Purchaser chooses at Purchaser's sole cost and expense. Each Residential Unit will, however, be prewired to permit the installation of telephone jacks and a special two-line telephone (at such Residential Unit Owner's expense), which will permit the telephone to be used both as a building intercom and as a telephone. Sponsor makes no representations or guarantees regarding telephone reception or the availability of wireless and/or voice over internet telephone service.

e. Mail

All incoming mail (including packages) will be delivered to the Residential Unit Owners by the United States Postal Service and deposited by its personnel in mail boxes located in the Lobby of the Building. Residential Unit Owners will pick up their mail in the mailroom and their packages at the Package room all situated on a portion of the Ground Floor of the Building. (See a copy of the "Description of Property" set forth as an Exhibit in Part II of the Plan.).

f. Laundry

There is a Common Laundry Room located at the Cellar level of the Building available for use by all Residential Unit Owners their tenants, guest and invitees. The Common Laundry Room will contain two (2) pay-per-use washers and two (2) pay-per-use dryers. The Rules and Regulations of the Condominium require low suds laundry detergent be used in the washers. Failure to use a low suds detergent may lead to the washer over flowing and causing a flood in the Residential Units or the Common Elements in which event the Unit Owner violating the Rules and Regulations will be liable for damages. The cost and expenses incurred to operate and Maintain the Common Laundry Room will be included as part of the Residential Unit Owners' Common Charges. (See a copy of the "Description of Property" set forth as an Exhibit in Part II of the Plan.)

In addition, a laundry closet equipped with washer and dryer units will be provided in each Residential Unit. Except for the Residential Units located on the Penthouse level, all washer and dryer units will be stackable, with self-ventilating (or condenser) dryers. The washer and dryer units provided to Residential Units on the Penthouse level will be side by side units, with mechanically exhausted (or vented) dryers. The Rules and Regulations of the Condominium require low suds laundry detergent be used in all washer and dryers. Failure to use a low suds detergent may lead to the washer over flowing and causing a flood in the Residential Units in which event the Residential Unit Owner violating the Rules and Regulations will be liable for damages. (See a copy of the "Description of Property" set forth as an Exhibit in Part II of the Plan.)

g. Refuse Disposal

There will be refuse chutes located within trash/recycling rooms, and such rooms will be located on each of the Residential floors and will lead directly to automatic compacting facilities in the compactor room located in the Cellar level of the Building. (See a copy of the "Description of Property" set forth as an Exhibit in Part II of the Plan.).

h. Youth Activity and Recreation Room

This facility, which will be located on a portion of the Cellar Floor, measures approximately 2203 square feet and includes seating, various play zones and toilet facilities. It is available for use by resident children accompanied by a responsible adult during such hours as may be determined by the Residential Board and subject to such other rules and regulations as may be promulgated from time to time by the Residential Board.

i. Fitness Center

An unattended Fitness Center will be located on a portion of the second floor of the Building and made available for use by residents of the Building. The Fitness Center will be equipped with aerobic and strength training machines including treadmills, elliptical machines, recumbent bicycle, adaptive motion machines, free weights and adjustable bench, all as more particularly described in the Description of Property set forth as an Exhibit in Part II of the Plan. The Fitness Center will also include two (2) enclosed yoga/training rooms. The hours of operation of the Fitness Center shall be determined by the Residential Board, and its use is subject to such rules and regulations as may be promulgated from time to time by the Residential Board, including, without limitation, restriction on hours of operation and the use thereof by persons under a certain age. The Residential Board reserves the right to collect a fee from the Residential Unit Owners for the use of the Fitness Center or other use fees it collects in connection with the Fitness Center. However, it is not currently anticipated that the Residential Board will charge for the use of the Fitness Center. In the event the Residential Board decides to collect such a fee same shall be disclosed in a duly filed amendment to the Plan. None of Sponsor, Condominium Board, Selling Agent or Management Agent shall be liable for any theft or damage to any personal property, unless due to the gross negligence of such party or their respective agents. (See a copy of the "Description of Property" set forth as an Exhibit in Part II of the Plan.)

j. Residential Lounge

A residential lounge ("Residential Lounge") will be located on the second floor of the Building. The Residential Lounge measures approximately 960 square feet and will be served by a wet bar with residential grade refrigerator, ice maker and sink. It is available for use by Residential Unit Owners and their guests and tenants during such hours as may be determined by the Residential Board, and its use is subject to such rules and regulations as may be promulgated from time to time by the Residential Board, including restriction on hours of operation and the use thereof by persons under a certain age. Sponsor and/or its designees reserve the right to use the Residential Lounge for sales, marketing or other lawful purposes. None of Sponsor, the Condominium Board, Selling Agent or Managing Agent shall be liable for any theft or damage to any personal property, unless due to the gross negligence of such party or their respective agents. (See a copy of the "Description of Property" and the Floor Plans each set forth as an Exhibit in Part II of the Plan.)

k. Courtyard

An outdoor courtyard ("Courtyard") will be located adjacent to the Residential Lounge within the inner court on a portion of the roof over the first floor of the Building and will be made available for recreational use by the residents of the Building. Upon the conveyance of a Residential Unit by Sponsor, the Purchaser thereof will have the right to use the Courtyard, subject to the terms of the Declaration and the By-Laws and to any rules and regulations promulgated from time to time by the Residential Board, including, without limitation, restriction on hours of operation, the use thereof and the use thereof by persons under a certain age. Residential Unit Owners shall have access to the Courtyard seven (7) days a week between the hours of 9:00 A.M. and 10:00 P.M. on weekdays and the hours of 10:00 A.M. and 10:00 P.M. on weekends, except as otherwise determined by the Residential Board. Sponsor and/or its designees reserve the right to use the Courtyard. None of Sponsor, Condominium Board, Selling Agent or Management Agent shall be liable for any theft or damage to any personal property, unless due to the gross negligence of such party or their respective agents. (See a copy of the "Description of Property" set forth as an Exhibit in Part II of the Plan.)

l. Bicycle Storage Room

A bicycle storage room will be located on a portion of the Cellar level of the Building. The bicycle storage room will be available for use by the residents of the Building, subject to such Rules and Regulations promulgated from time to time by the Condominium Board. The Condominium Board reserves the right to collect a fee for the use of the bicycle storage room. The bicycle storage room will hold approximately 39 bicycles. The bicycle room will be unattended and Residential Unit Owners will store their bicycles in the bicycle room at such Residential Unit Owner's own risk. Sponsor and/or its designees reserve the right to use the bicycle room. None of Sponsor, the Condominium Board, Selling Agent or Managing Agent shall be liable for any theft or damage to any bicycles or other objects stored in the bicycle room, unless due to the gross negligence of such party. (See a copy of the "Description of Property" and the Floor Plans each set forth as an Exhibit in Part II of the Plan.)

m. Storage Bins

A. Included in the Purchase Price of each Non-Studio Residential Unit is the right to the exclusive use of one Storage Bin, which use shall be granted by license ("Storage Bin License"). Sponsor will allocate the Storage Bins to each Purchaser at or prior to Closing. Each Storage Bin will measure approximately 7 feet high and will vary between 23-44 square feet in floor area, provided, however, the dimensions are approximate and subject to normal construction variances and tolerances, which Storage Bins are more particularly shown on the Floor Plan set forth as an Exhibit in Part II of the Plan. The Storage Bins shall be fabricated with heavy-duty wire mesh partitions and doors.

B. The Storage Bins will be located on a portion of the Cellar level of the Building and, accordingly, the Sponsor cannot make any representation as to whether the Storage Bins will remain dry. Neither the Sponsor nor the Condominium Board will be responsible for any damage to items placed in the Storage Bins. Residential Unit Owners who place items in the

Storage Bins do so at their own risk and Purchasers are advised to consult with their insurance brokers regarding appropriate coverage for such stored items.

C. At the closing of title to the Residential Unit, the Purchaser must execute a Storage Bin License substantially in the form set forth as an Exhibit in Part II of the Plan. The provisions of the Storage Bin License and Condominium Declaration and By-Laws shall govern the use, access and Maintenance of the Storage Bins. The Storage Bins may only be used in accordance with Law and only for the storage of the personal effects of the Residential Unit Owner having exclusive access to such Storage Bin and nothing can be stored in the Storage Bins which would constitute a fire hazard or threat to the health or safety of the Unit Owners or other occupants of the Building or otherwise create a nuisance in the Building. Residential Unit Owners will be responsible for all normal Maintenance to their respective Storage Bins; however the costs and expenses of any structural or extraordinary repairs or replacements shall be a Common Expense charged to all Unit Owners. The Condominium Board has the authority to promulgate such other rules regarding use of and access to the Storage Bins.

D. In the event that a Storage Bin is not available for use and/or occupancy on the Closing Date due to the status of completion of the construction of the Building and Units, or a Temporary Certificate of Occupancy or Permanent Certificate of Occupancy (if required) is not obtained for such Storage Bin or for any other reason, Purchaser shall remain obligated to close title to its Residential Unit and pay the balance of the Purchase Price for such Residential Unit.

E. The Storage Bin License may only be assigned by the storage bin licensee to a person acquiring a Residential Unit or to another Residential Unit Owner in the Condominium. Upon conveyance of a Residential Unit, the Condominium Board will enter into a new Storage Bin License with the transferee of such Residential Unit, in the form set forth as an Exhibit in Part II of the Plan or in such form then required by the Condominium Board. In no event may a Residential Unit Owner retain use or rights to a Storage Bin after conveyance or transfer of such Residential Unit Owner's Unit. In the event a storage bin licensee elects to terminate a Storage Bin License or sells its Residential Unit and does not assign same to another Residential Unit Owner or to a person acquiring a Residential Unit, the rights to the Storage Bin in question will devolve to the Condominium Board and the Condominium Board shall have the right, in its sole discretion, to issue a new Storage Bin License to another Residential Unit Owner or a person acquiring a Residential Unit at the Condominium or retain such Storage Bin. In addition, Residential Unit Owners may only lease their respective Storage Bins to other Residential Unit Owners in the Building, the Condominium Board or Sponsor, as the case may be. In addition, Residential Unit Owners can only lease their respective Storage Bins to other Residential Unit Owners in the Building after obtaining the consent of the Residential Board thereto.

General

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

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

C. No representation or warranty is made and no assurance is given that the security systems and procedures of the Residential Section and of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Residential Units are being offered for sale or lease by Sponsor there will be a greater number of visitors to the Residential Section than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Sponsor, the Condominium Board, the Residential Board and/or the Managing Agent shall not be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Residential Section's or the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor, the Condominium Board, the Residential Board and/or the Managing Agent or their respective agents.

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

LOCATION AND AREA INFORMATION

Location

The Condominium is located on the Upper East Side in the Manhattan borough of New York City, with frontage on East 79th Street and Third Avenue.

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

Transportation

The Condominium is served by a variety of transportation facilities. Taxi and limousine service is readily available throughout the city. Entrances to the city's extensive subway system are within close walking distance, the closest being for the 6 local train at East 77th Street and Lexington Avenue, which provides both uptown and downtown service. Municipal bus service is available on every major avenue except for Park Avenue, the closest being on Third Avenue, Lexington Avenue and Second Avenue, and there are also nearby cross town routes. The Condominium is located close to one of New York City's major highways, the FDR Drive, easily connecting to many other major thoroughfares, the city's many bridges and tunnels, and the airports. New York City is serviced by three major airports located within nineteen miles of the Condominium. Kennedy International Airport and LaGuardia Airport are located in New York City and Newark International Airport in New Jersey.

Parks, Recreation and Cultural Activities

Excellent shopping facilities are conveniently located near the Condominium. In addition to the many world-renowned boutiques and restaurants on and around Madison Avenue, the Condominium is situated close to such retail stores as Barneys, Bloomingdales, F.A.O. Schwarz, Bergdorf Goodman and Saks Fifth Avenue. The shops and restaurants of Midtown and the rest of the city are easily accessible.

Central Park, the city's largest and most popular green space, is located within walking distance of the Condominium. It is an 840-acre tract of land, which combines beautifully landscaped areas with a large variety of recreational facilities, such as tennis courts, running paths, bicycle routes, ice skating rinks, theatrical performances, concerts and a zoo. In addition, many other neighborhood parks are located nearby. The Upper East Side is also well served by a variety of private recreational facilities, including fitness centers, yoga studios, tennis courts, etc.

Numerous museums and galleries are located close to the Condominium, including the Metropolitan Museum of Art, the Guggenheim Museum, the Whitney Museum of American Art, the Museum of Modern Art, the Museum of Natural History and the New York Historical Society, among many others.

Other cultural facilities accessible to the site include the Lincoln Center for the Performing Arts, a major entertainment facility featuring year-round music, drama, dance and

libraries. The Broadway Theater District is located nearby in Midtown, as well as the popular Carnegie Hall.

Educational Facilities

Excellent educational facilities are located in New York City, and particularly on the Upper East Side. Public schools servicing the Condominium include elementary school P.S. 158 located on York Avenue between 77th and 78th Streets, JHS 167 Robert F. Wagner located at 220 East 76th Street, and Eleanor Roosevelt High School located at 411 East 76th Street. Private schools in the greater New York City area for the grade and high school levels include the Dalton School, Trinity School, Columbia Grammar School, The Spence School, The Nightingale-Bamford School, The Brearley School, St. Bernard's School, Collegiate School, The Buckley School, and The Allen-Stevenson School. Top tier universities in the city include New York University, Columbia University, Fordham University and Hunter College.

Medical Facilities

The Condominium is within easy access to a number of medical facilities in the New York area, including Lenox Hill Hospital at 100 East 76th Street, New York Hospital-Cornell Medical Center, Beth Israel Medical Center, Memorial Sloan-Kettering Cancer Center, the Hospital for Special Surgery, and others.

Religious Facilities

There are multiple religious facilities reflecting various faiths and denominations within close proximity of the Condominium.

Municipal Services

Police, fire, water, sanitation and snow removal are provided by the City of New York. The Property is in the 19th Police Precinct located at 153 East 67th Street, New York, New York, and primary fire protection is provided by the NYFD Engine 44 located at 152 East 75th Street, New York, New York.

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

Mailing Address and Neighborhood

The mailing address for the Condominium is 200 East 79th Street, a.k.a. 1381-1389 Third Avenue, New York, New York 10075.

Zoning and Use

The Property is located in the C1-5 and R10-A zoning district of the Borough of Manhattan which currently permits retail and residential use. Sponsor makes no representation that the zoning for the Property will not change. Neither Sponsor nor its principals own in whole

or in part, nor do they have an option or right to acquire any adjacent areas which are not fully developed.

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

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

SCHEDULE A – OFFERING PRICES AND RELATED INFORMATION

SCHEDULE A

The 200 East 79th Street Condominium
200 East 79th Street
New York, New York
For July 1, 2013 to June 30, 2014
the Projected First Year of Condominium Operation

Unit #				(1) Approx. Unit Square Footage	(1) Approx. Terrace Square Footage	(2) Purchase Price	(3a) Percentage Interest in the Common Elements	(3b) Percentage Interest in the Residential Common Elements	(4) Estimated Monthly Common Charges	(4) Estimated Annual Common Charges	(5) Estimated Monthly Real Estate Taxes with 421A	(5) Estimated Annual Real Estate Taxes with 421A	(5) Estimated Monthly Real Estate Taxes without 421A	(5) Estimated Annual Real Estate Taxes without 421A	Total Estimated Monthly Carrying Charges with 421A	Total Estimated Annual Carrying Charges with 421A	Total Estimated Monthly Carrying Charges without 421A	Total Estimated Annual Carrying Charges without 421A
2	A		0/1	467		$655,000	0.3942%	0.4138%	$607.93	$7,295.11	$66.34	$796.08	$668.08	$8,016.96	$674.27	$8,091.19	$1,276.01	$15,312.07
2	B		0/1	400		$560,000	0.3376%	0.3544%	$520.71	$6,248.49	$56.82	$681.84	$572.23	$6,866.76	$577.53	$6,930.33	$1,092.94	$13,115.25
2	C		0/1	400		$555,000	0.3376%	0.3544%	$520.71	$6,248.49	$56.82	$681.84	$572.23	$6,866.76	$577.53	$6,930.33	$1,092.94	$13,115.25
2	D		0/1	400		$560,000	0.3376%	0.3544%	$520.71	$6,248.49	$56.82	$681.84	$572.23	$6,866.76	$577.53	$6,930.33	$1,092.94	$13,115.25
2	E		0/1	400		$555,000	0.3376%	0.3544%	$520.71	$6,248.49	$56.82	$681.84	$572.23	$6,866.76	$577.53	$6,930.33	$1,092.94	$13,115.25
2	F	RM	2/2	1,229		$1,474,800	1.0373%	1.0890%	$1,599.87	$19,198.48	$897.70	$10,772.40	$1,758.17	$21,098.04	$2,497.57	$29,970.88	$3,358.04	$40,296.52
3	A		3/3.5	1,920		$2,785,000	1.6205%	1.7013%	$2,499.40	$29,992.75	$1,886.23	$22,634.76	$2,746.69	$32,960.28	$4,385.63	$52,627.51	$5,246.09	$62,953.03
3	B		4/4.5	2,620		$3,895,000	2.2113%	2.3216%	$3,410.63	$40,927.60	$2,887.63	$34,651.56	$3,748.09	$44,977.08	$6,298.26	$75,579.16	$7,158.72	$85,904.68
3	C		3/3.5	2,215		$2,995,000	1.8695%	1.9627%	$2,883.42	$34,601.01	$2,308.25	$27,699.00	$3,168.71	$38,024.52	$5,191.67	$62,300.01	$6,052.13	$72,625.53
4	A		3/3.5	1,920		$2,855,000	1.6205%	1.7013%	$2,499.40	$29,992.75	$1,886.23	$22,634.76	$2,746.69	$32,960.28	$4,385.63	$52,627.51	$5,246.09	$62,953.03
4	B		4/4.5	2,620		$3,995,000	2.2113%	2.3216%	$3,410.63	$40,927.60	$2,887.63	$34,651.56	$3,748.09	$44,977.08	$6,298.26	$75,579.16	$7,158.72	$85,904.68
4	C		3/3.5	2,215		$3,070,000	1.8695%	1.9627%	$2,883.42	$34,601.01	$2,308.25	$27,699.00	$3,168.71	$38,024.52	$5,191.67	$62,300.01	$6,052.13	$72,625.53
5	A		3/3.5	1,920		$2,925,000	1.6205%	1.7013%	$2,499.40	$29,992.75	$1,886.23	$22,634.76	$2,746.69	$32,960.28	$4,385.63	$52,627.51	$5,246.09	$62,953.03
5	B		4/4.5	2,620		$4,095,000	2.2113%	2.3216%	$3,410.63	$40,927.60	$2,887.63	$34,651.56	$3,748.09	$44,977.08	$6,298.26	$75,579.16	$7,158.72	$85,904.68
5	C		3/3.5	2,215		$3,145,000	1.8695%	1.9627%	$2,883.42	$34,601.01	$2,308.25	$27,699.00	$3,168.71	$38,024.52	$5,191.67	$62,300.01	$6,052.13	$72,625.53
6	A		3/3.5	1,920		$2,995,000	1.6205%	1.7013%	$2,499.40	$29,992.75	$1,886.23	$22,634.76	$2,746.69	$32,960.28	$4,385.63	$52,627.51	$5,246.09	$62,953.03
6	B		4/4.5	2,620		$4,195,000	2.2113%	2.3216%	$3,410.63	$40,927.60	$2,887.63	$34,651.56	$3,748.09	$44,977.08	$6,298.26	$75,579.16	$7,158.72	$85,904.68
6	C		3/3.5	2,215		$3,220,000	1.8695%	1.9627%	$2,883.42	$34,601.01	$2,308.25	$27,699.00	$3,168.71	$38,024.52	$5,191.67	$62,300.01	$6,052.13	$72,625.53
7	A		3/3.5	1,920		$3,065,000	1.6205%	1.7013%	$2,499.40	$29,992.75	$1,886.23	$22,634.76	$2,746.69	$32,960.28	$4,385.63	$52,627.51	$5,246.09	$62,953.03
7	B		4/4.5	2,620		$4,295,000	2.2113%	2.3216%	$3,410.63	$40,927.60	$2,887.63	$34,651.56	$3,748.09	$44,977.08	$6,298.26	$75,579.16	$7,158.72	$85,904.68
7	C		3/3.5	2,215		$3,295,000	1.8695%	1.9627%	$2,883.42	$34,601.01	$2,308.25	$27,699.00	$3,168.71	$38,024.52	$5,191.67	$62,300.01	$6,052.13	$72,625.53
8	A		3/3.5	1,920		$3,135,000	1.6205%	1.7013%	$2,499.40	$29,992.75	$1,886.23	$22,634.76	$2,746.69	$32,960.28	$4,385.63	$52,627.51	$5,246.09	$62,953.03
8	B		4/4.5	2,620		$4,395,000	2.2113%	2.3216%	$3,410.63	$40,927.60	$2,887.63	$34,651.56	$3,748.09	$44,977.08	$6,298.26	$75,579.16	$7,158.72	$85,904.68
8	C		3/3.5	2,215		$3,370,000	1.8695%	1.9627%	$2,883.42	$34,601.01	$2,308.25	$27,699.00	$3,168.71	$38,024.52	$5,191.67	$62,300.01	$6,052.13	$72,625.53
9	A		3/3.5	1,920		$3,265,000	1.6205%	1.7013%	$2,499.40	$29,992.75	$1,886.23	$22,634.76	$2,746.69	$32,960.28	$4,385.63	$52,627.51	$5,246.09	$62,953.03
9	B		4/4.5	2,620		$4,575,000	2.2113%	2.3216%	$3,410.63	$40,927.60	$2,887.63	$34,651.56	$3,748.09	$44,977.08	$6,298.26	$75,579.16	$7,158.72	$85,904.68
9	C		3/3.5	2,215		$3,510,000	1.8695%	1.9627%	$2,883.42	$34,601.01	$2,308.25	$27,699.00	$3,168.71	$38,024.52	$5,191.67	$62,300.01	$6,052.13	$72,625.53
10	A		5/5.5	4,187		$6,995,000	3.5339%	3.7101%	$5,450.50	$65,406.06	$5,129.33	$61,551.96	$5,989.79	$71,877.48	$10,579.83	$126,958.02	$11,440.29	$137,283.54
10	B		4/4.5	2,664		$4,665,000	2.2485%	2.3606%	$3,467.91	$41,614.94	$2,950.57	$35,406.84	$3,811.04	$45,732.48	$6,418.48	$77,021.78	$7,278.95	$87,347.42
11	A		5/5.5	4,187		$7,145,000	3.5339%	3.7101%	$5,450.50	$65,406.06	$5,129.33	$61,551.96	$5,989.79	$71,877.48	$10,579.83	$126,958.02	$11,440.29	$137,283.54
11	B		4/4.5	2,664		$4,765,000	2.2485%	2.3606%	$3,467.91	$41,614.94	$2,950.57	$35,406.84	$3,811.04	$45,732.48	$6,418.48	$77,021.78	$7,278.95	$87,347.42
12	A		5/5.5	4,187		$7,295,000	3.5339%	3.7101%	$5,450.50	$65,406.06	$5,129.33	$61,551.96	$5,989.79	$71,877.48	$10,579.83	$126,958.02	$11,440.29	$137,283.54
12	B		4/4.5	2,664		$4,865,000	2.2485%	2.3606%	$3,467.91	$41,614.94	$2,950.57	$35,406.84	$3,811.04	$45,732.48	$6,418.48	$77,021.78	$7,278.95	$87,347.42
14	A		5/5.5	4,187		$7,445,000	3.5339%	3.7101%	$5,450.50	$65,406.06	$5,129.33	$61,551.96	$5,989.79	$71,877.48	$10,579.83	$126,958.02	$11,440.29	$137,283.54
14	B		4/4.5	2,664		$4,965,000	2.2485%	2.3606%	$3,467.91	$41,614.94	$2,950.57	$35,406.84	$3,811.04	$45,732.48	$6,418.48	$77,021.78	$7,278.95	$87,347.42
15	A		5/5.5	4,162		$7,720,000	3.5128%	3.6880%	$5,417.96	$65,015.53	$5,093.56	$61,122.72	$5,954.03	$71,448.36	$10,511.52	$126,138.25	$11,371.99	$136,463.89
15	B		4/4.5	2,650		$5,145,000	2.2366%	2.3482%	$3,449.69	$41,396.24	$2,930.54	$35,166.48	$3,791.01	$45,492.12	$6,380.23	$76,562.72	$7,240.70	$86,888.36
16	A	T	4/4.5	3,021	686	$7,995,000	2.5498%	2.8794%	$4,230.02	$50,760.19	$4,769.45	$57,233.40	$5,629.92	$67,559.04	$8,999.47	$107,993.59	$9,859.94	$118,319.23
16	B	T	4/4.5	2,871	242	$7,250,000	2.4232%	2.6154%	$3,842.28	$46,107.38	$3,708.18	$44,498.16	$4,568.65	$54,823.80	$7,550.46	$90,605.54	$8,410.93	$100,931.18
17	A	T	4/4.5	3,213	123	$6,795,000	2.7118%	2.8834%	$4,235.90	$50,830.82	$3,970.51	$47,646.12	$4,830.97	$57,971.64	$8,206.41	$98,476.94	$9,066.87	$108,802.46
17	B	T	3/3.5	2,419	136	$5,350,000	2.0417%	2.1836%	$3,207.93	$38,495.19	$2,859.43	$34,313.16	$3,719.89	$44,638.68	$6,067.36	$72,808.35	$6,927.82	$83,133.87
18	A	T	4/4.5	3,096	117	$6,650,000	2.6131%	2.7779%	$4,080.99	$48,971.92	$3,791.69	$45,500.28	$4,652.16	$55,825.92	$7,872.68	$94,472.20	$8,733.15	$104,797.84
18	B	T	3/3.5	2,290	129	$4,995,000	1.9328%	2.0673%	$3,036.97	$36,443.64	$2,661.53	$31,938.36	$3,522.00	$42,264.00	$5,698.50	$68,382.00	$6,558.97	$78,707.64
19	A	T/FP	5/5.5	5,100	286	$13,000,000	4.3045%	4.8658%	$7,148.32	$85,779.85	$6,995.13	$83,941.56	$7,855.60	$94,267.20	$14,143.45	$169,721.41	$15,003.92	$180,047.05
20	A	T/FP	5/5.5	4,898	202	$14,000,000	4.1340%	4.5876%	$6,739.60	$80,875.22	$6,545.97	$78,551.64	$7,406.44	$88,877.28	$13,285.57	$159,426.86	$14,146.04	$169,752.50
	Totals			111,705	1,921	204,474,800	94.2809%	100.0000%	$146,908.08	$1,762,897.00	$126,411.68	$1,516,940.16	$163,493.59	$1,961,923.08	$273,319.76	$3,279,837.16	$310,401.67	$3,724,820.08
Commercial Unit				6,776		Not Offered	5.7191%		$5,256.25	$63,075.00	$7,697.85	$92,374.20	$8,339.17	$100,070.04	$12,954.10	$155,449.20	$13,595.42	$163,145.04
	Grand Total						100.0000%		$152,164.33	$1,825,972.00	$134,109.53	$1,609,314.36	$171,832.76	$2,061,993.12	$286,273.86	$3,435,286.36	$323,997.09	$3,887,965.12

(T) Terrace
(FP) Fireplace
(RM) Resident Manager

Notes to Schedule A

1 Floor Plans depicting layouts of Residential Units appear in Part II of the Plan. Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and may significantly exceed the finished floor area. Floor area may include columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Each Unit will be measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits are not deducted) to the centerline of the interior walls and partitions separating one Unit from another Unit, or separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements or Limited Common Elements not within a Unit. As is often the case in New York, these square foot areas exceed the usable floor area of each Unit and include columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area.

Ceiling heights are estimates only. Each Unit will be measured vertically from the top of the concrete floor slab or gypsum self-leveling compound below the finished flooring and sub-floor materials to the underside of the concrete slab or wood sub-floor under the gypsum self-leveling compound above. The clearance between the top of the concrete floor slab or gypsum self-leveling compound and the bottom of the finish ceiling in the Units may vary among the Units and certain Units may have less clearance than others and all or portions of certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Since dimensions listed are based on measurements from floor slabs or gypsum self-leveling compound, they may not accurately represent the interior space in the Unit and may significantly exceed the finished floor area. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings.

Purchasers should refer to the Description of Property set forth in its entirety in Part II of the Plan hereof for more information as to the dimensions, layout, ceiling heights and physical condition of the Units.

Purchasers are further advised that Sponsor has reserved the right to negotiate with individual purchasers to perform Custom Work which may require a modification in floor plans for certain Residential Units and accordingly the layout of the Units and Common Elements may vary.

The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

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

3(a) The respective Common Interest of each Unit in the Common Elements, in accordance with the provisions of §339-i(1)(iv) of the Condominium Act, is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. In the event that, prior to the First Closing, Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Residential Units and such changes involves the inclusion, in the Residential Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Residential Units, the Common Interest of all of the Residential Units may change to a *de minimus* extent. Any such change in the Common Interest allocated to a Residential Unit prior to the recording of the Declaration shall not be deemed a material change and shall not give rise to a right of rescission on the part of any Purchaser.

3(b) In accordance with the provisions of §339-i(1)(iv) of the Condominium Act, the percent interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Common Interest of such Residential Unit bears to the aggregate Common Interests of all Residential Units as set forth in Paragraph 3(a) above.

4 The estimates contained in this schedule were prepared on the assumption that the First Year of Condominium Operation will be the year from July 1, 2013 through June 30, 2014, and are only an estimate of the receipts and expenses of the Condominium for the projected year. Sponsor makes no representation regarding the commencement date or the estimated receipts and expenses for the First Year of Condominium Operation which may be greater than or less than the estimated figures set forth in the proposed Schedule B. The actual First Year of Condominium Operation may be earlier or later than such year. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected First Year of Condominium Operation, Sponsor will amend the Plan to include a revised Schedule B

disclosing current projections. If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all Purchasers the right to rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

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

5 If the Property does not receive 421-a Benefits or other partial exemption or abatement from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the First Year of Condominium Operation will total approximately $1,961,924 based on an opinion prepared by Stroock & Stroock & Lavan LLP dated June 1, 2012, which assumes (a) an assessed valuation attributable to the residential portion of the Property of $ 14,317,472 for the July 1, 2013 through June 30, 2014 fiscal tax year, and (b) a projected tax rate of $13.703 per $100 of assessed valuation. If the Property does receive 421-a Benefits, it is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the First Year of Condominium Operation will total approximately $1,516,939.

SPONSOR MAKES NO REPRESENTATION THAT THE ESTIMATED ASSESSED VALUE OF THE PROPERTY, ALLOCATIONS OF VALUE TO THE INDIVIDUAL UNITS, 421-A BENEFITS OR THE TAX RATE WILL BE AS PROJECTED OR THAT THE PROPERTY WILL QUALIFY FOR 421-A BENEFITS OR OTHER PARTIAL EXEMPTION OR ABATEMENT. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY AUTHORITIES CHANGE ASSESSMENTS AND TAX RATES ANNUALLY AND HAVE, IN RECENT YEARS, IMPLEMENTED SIGNIFICANT INCREASES IN THE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS

WHICH WERE INCONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.

The tax figures set forth on Schedule A are estimates only and actual real estate taxes for the First Year of Condominium Operation may be higher or lower. Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinion of Stroock & Stroock & Lavan LLP set forth in Part I of the Plan for further discussion regarding real estate taxes and benefits the for the residential portion of the Property.

The figures set forth on Schedule A for taxes with 421-a Benefits are based on the assumptions that Sponsor will apply for and the Property will qualify for a certificate of eligibility for partial exemption under the 421-a Program. The 421-a Program has been extensively modified by legislative and regulatory changes adopted between 2006 and 2011. These changes greatly reduce the benefits available for condominiums in Manhattan as compared to the benefits previously available under the 421-a program. The changes also create uncertainty as few buildings have been completed since the new law and regulations went into effect. If the Property fails to meet the requirements for 421-a eligibility, taxes will be payable without 421-a Benefits. If the Property qualifies but the implementation of the exemption differs from that anticipated by Sponsor, the taxes with 421-a Benefits may be substantially greater than estimated.

Purchasers should note that real estate taxes for the First Year of Condominium Operation without 421-a Benefits are less than taxes without 421-a Benefits would be for the second and later years of Condominium operation since the first year's tax estimate is based on a projected assessed valuation of the Property prior to the completion of the Building. It is expected that additions to the assessed value in the second and third years of Condominium operation would result in substantially greater valuations for those years. Assuming the Property does not receive any partial exemption or abatement from real estate taxes, the taxes during the second year of operation could be approximately 19% higher than the taxes during the first year of operation.

The real estate tax estimates for each Residential Unit were calculated on the assumption that the assessed value for the residential portion of the Building will be allocated in proportion to each Residential Unit's Common Interest as set forth in Schedule A. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate assessed values between the Residential Units in proportion to each Residential Unit's purchase price, or by another method, rather than in proportion to the Unit's Common Interest, and, if so, Residential Units having the same or similar percentage interest, which are determined to have a greater value, will pay greater portions of the aggregate real estate taxes than are reflected in Schedule A.

Taxes with 421-a Benefits are estimated on the assumption that 421-a Benefits will be subject to an Assessed Value Cap that is imposed by the current 421-a regulations. If 421-a Benefits are available, units having a greater total assessed value will have more assessed value that exceeds the Assessed Value Cap, which will result in higher-value

units paying a greater proportion of the total tax for the Property than is represented by their common interest percentages.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method to be employed by the New York City tax officials in assessing the Property or in allocating the assessed values of individual Residential Units; (ii) of the assessed values of the Residential Units during the First Year of Condominium Operation, (iii) of the tax rates for the First Year of Condominium Operation, or (iv) that the Property will qualify for or receive 421-a Benefits under the 421-a Program or of the amount of such benefits.

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

SCHEDULE B – PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE B

200 East 79th Street Condominium
200 East 79th Street
New York, New York
For July 1, 2013 to June 30, 2014
the Projected First Year of Condominium Operation

A.	Common Charges Allocable to Residential Units	1,762,897
B.	Common Charges Allocable to Commercial Unit	63,075
	TOTAL PROJECTED REVENUE	1,825,972

		OVERALL CONDOMINIUM BUDGET	RESIDENTIAL UNITS 94.2809%	COMMERCIAL UNIT 5.7191%
1.	Labor	884,225	839,250	44,975
2.	Heat/Hot Water	102,014	102,014	
3.	Electricity	166,952	166,952	
4.	Cooking Gas	5,148	5,148	
5.	Water & Sewer Charges	93,359	93,359	
6.	Administration	19,400	19,400	
7.	Repairs & Maintenance	39,500	38,356	1,144
8.	Services & Supplies	139,700	137,255	2,445
9.	Insurance	65,200	61,471	3,729
10.	Management Fee	85,000	80,139	4,861
11.	Legal, Audit & Professional Fees	15,000	14,142	858
12.	Resident Manager's Unit	121,948	121,948	
13	Operating Contingency	25,000	23,570	1,430
14.	Reserve Fund	63,526	59,893	3,633
		1,825,972	1,762,897	63,075

PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

Amounts are projected on the assumption that the first year of Condominium operation will be the 12 - month period from July 1, 2013 through June 30, 2014. The actual first year of operation may be earlier or later than that 12-month period. If the projected commencement date of the first year of Condominium operation differs by six months or more from the actual scheduled closing date for the first Residential Unit, the Plan will be amended to include an updated budget with revised projections, if revised projections are necessary. If the aggregate of the revised projections exceeds the aggregate of the original projections by 25% or more, Sponsor will offer all purchasers the right, for a period of at least fifteen (15) days, to rescind their Purchase Agreements and have their down payments refunded. Down payments will be returned within fifteen (15) business days after Sponsor receives Purchaser's timely rescission notice.

Projected Receipts

A. Common Charges Allocable to Residential Units ($1,762,897)

The total income projected to be required to meet Residential Common Expenses for the first year of Condominium operation is $1,762,897. Residential Common Charges will be used by the Board of Managers to pay the Common Expenses attributable to the Residential Area and the Residential Area's proportionate share of the General Common Expenses. General Common Expenses have been allocated between the Residential Units and the Commercial Unit on the basis of Common Interest, except as described otherwise in the notes below. In accordance with the provisions of §339-i(1)(iv) of the Condominium Act, the percent interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Common Interest of such Residential Unit bears to the aggregate Common Interests of all Residential Units.

B. Common Charges Allocable to the Commercial Unit ($63,075)

The Commercial Unit will be obligated to pay 5.7191% of certain Condominium operating expenses. Specifically, the Commercial Unit will pay 5.7191 % of Insurance, Management costs, Legal, Audit and Professional fees and Contingency expenses of the Condominium, as described below, and 5.7191% of certain Repair & Maintenance and Service & Supply costs as itemized in Notes 7 & 8 below. In addition, the Commercial Unit will pay 5.7191% of the cost of the Resident Manager's wages and benefits and an allocated cost equal to 50% of the cost of one porter for time spent by the building staff cleaning and maintaining the sidewalks and exterior of the building. Accordingly, the Commercial Unit will pay the following Condominium shared expenses:

Total Insurance Cost	$ 65,200
Total Management Fee	$ 85,000
Legal, Audit & Prof. Fees	$ 15,000
Operating Contingency	$ 25,000
Reserve for Replacement	$63,526
Sub Total	$253,726

$253,726 x 5.7191% =	$ 14,511
plus 50% of the cost of one porter's wages & benefits	$ 37,491
plus 5.7191% of the cost of the Resident Manager's wages & benefits	$ 7,484
plus Repairs & Maintenance amount from note 7	$ 1,144
plus Services & Supplies amount from note 8	$ 2,445
Commercial Unit Total	$63,075

The Common Charges projected to be payable by the owner of the Commercial Unit are adequate and sufficient to cover the Common Expenses fairly attributable to the Commercial Unit.

Pursuant to Article 6 of the By-Laws, the Condominium Board may, in addition to basing charges on Common Interests, also make allocations and assessments of Common Expenses in accordance with sub-metering, 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.

Projected Expenses

1. Labor ($884,225)

Wages

Building Staff (#)	**Wages/Yr./Person**	**Total Wages**
Resident Manager (1)	$ 104,314	$ 104,314
Handyman (1)	$ 53,324	$ 53,324
Doormen (3)	$ 48,282	$ 144,847
Concierge (4)	$ 48,282	$ 193,129
Porters (2)	$ 48,282	$ 96,565
Subtotal		$ 592,179

Taxes and Benefits

Workers Comp @ 3.60% of applicable wages	$ 21,319
FICA @ 6.20% of applicable wages	$ 36,715
Medicare @ 1.45% of applicable wages	$ 8,587
NYS Unemployment Insurance @ 7.00% of applicable wages	$ 6,541
Federal Unemployment Insurance @ .80% of applicable wages	$ 1,308
Metro Commuter Mobility Tax @.34%	$ 2,013
NYS Disability Insurance @ approximately $39.00 per employee	$ 429
Subtotal	$ 76,912

Union Welfare/Pension

Welfare	$ 153,635
Pension	$ 51,718
Annuity, Training, Legal, etc.	$ 9,781
Subtotal	$ 215,134

The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that the Building staff employees will be union members. Accordingly, the Building staff wages and Welfare and Pension figures described are in accordance with the industry pattern contract currently in effect with local 32B-32J of the Service Employees International Union, AFL-CIO. It is possible that the full staff may not be employed until certain Building occupancy levels are achieved and that all employees may not, immediately upon hire, be eligible for certain union benefits. The Commercial Unit will contribute 50% of the cost of one Porter's wages, taxes and benefits to this line item.

2. **Heat and Hot Water** ($102,014)

Domestic Hot water will be provided via duplex gas fired powered hot water heaters.

Heat for the Residential Area will be provided via four (4) gas fired condensing boilers and water-source heat pump units in each apartment.

Various water-source heat pumps will provide heat to the Common Elements.

Based on estimates in a letter dated September 27, 2011 and revised on January 11, 2012 by MG Engineering, PC, 116 West 32nd Street, New York, NY 10001 ("MGE"), Sponsor makes the following projections for gas consumption and cost for heat and hot water for the Residential Section and General Common Elements. The projections are based on consumption estimates provided by MGE which the sponsor has multiplied by the average current rate, including sales tax with a 4% inflation factor for the rate.

Residential Unit Gas for Domestic Hot Water
14,911 therms of gas per year @ $0.85 per therm = $12,674

Residential Unit Gas for Heat
105,106 therms of gas per year @ $0.85 therm = $89,340

The Commercial Unit will have a direct meter from the Utility Company, therefore the cost of gas for heat and hot water will be allocated amongst the Residential Units only.

3. **Electricity ($166,952)**

Based on estimates in a letter dated September 27, 2011 and revised on January 11, 2012 by MGE, Sponsor makes the following projections for Common Elements Electricity. The projections are based on consumption estimates provided by MGE which the sponsor has multiplied by the average current rate with a 4% inflation factor for the rate.

Common Elements Electricity
795,010 KWH per year @ $0.21 per KHW = $166,952

The electricity estimate does not include the cost of electricity in each Residential Unit and the Commercial Unit, each of which will have individual direct meters from the utility company.

The Commercial Unit will have a direct meter from the Utility Company, therefore the cost of gas for heat and hot water will be allocated amongst the Residential Units only.

4. Cooking/Fireplace/Dryer Gas ($5,148)

Based on estimates in a letter dated September 27, 2011 and revised on January 11, 2012 by MGE, Sponsor makes the following projections for Gas. The projections are based on consumption estimates provided by ADS which the sponsor has multiplied by the average current rate with a 4% inflation factor for the rate.

Cooking/Fireplace Gas
6,057 Therms per Year @ $0.85 per Therm = $5,148

The cost of Cooking/Fireplace/Dryer Gas will be allocated to the Residential Units only. The Commercial Unit will have a direct meter from the utility company.

5. Water and Sewer Charges ($93,359)

Water provided to the Property will be measured by a single water meter, the usage costs for which all will be attributable to the Residential Area as any water is provided to the Commercial Unit will be submetered and billed back to the Commercial Unit.

The specific projections are based on estimates in a letter dated September 27, 2011 and revised on January 11, 2012 by MGE. The sponsor multiplied these estimates by the current rates plus 10%.

Water & Sewer Charges

9,467 HCF of Water & Sewer at a rate of $9.031 per 100 cubic feet =	$85,496
2,255 HCF of Water at a rate of $3.487 per 100 cubic feet =	$ 7,863
	$93,359

6. Administration ($19,400)

This figure includes anticipated costs of:

Office Supplies & Expenses	$ 2,500
Telephone & Internet	$12,000
Dues	$ 1,200
Employee Screening	$ 1,200
Misc. Administrative	$ 2,500
Total	$19,400

Administration costs are attributable to the Residential Units only.

7. Repairs and Maintenance ($39,500)

This figure includes projected expenses for maintenance and repair costs of Common Elements (i.e., mechanical equipment, fans, pumps, valves, roofs, exterior walls, doors, etc.). Unit Owners will be responsible for the cost of repairs and painting in the interior of their Units. No provision has been made to cover the cost of any major capital expenditures as major components of the building are to be subject to warranty under the construction contract.

The estimate includes projected expenses for:

Plumbing repairs	$ 5,000
HVAC Repairs	$ 5,000
Fire & Safety Equipment	$ 2,500
Pump, Motor & Fan Repairs	$ 5,000
Doors, Lock & Keys	$ 2,500
Generator Repairs	$ 6,000
Amenities Repairs & Maintenance	$ 6,000
Miscellaneous Repairs	$ 7,500
Total	$39,500

The Commercial Unit will share in certain expenses based on its percentage of Common Interest:

Plumbing Repairs	$ 5,000
Pump, Motor & Fan Repairs	$ 5,000
Fire & Safety Equipment	$ 2,500
Miscellaneous Repairs	$ 7,500
Total	$20,000

$20,000 x 5.7191% = $1,144

8. Services and Supplies ($139,700)

This figure represents the estimated annual cost of services and supplies (including service contracts) provided to and for the benefit of the Residential Units and the General Common Elements. It includes the following items:

Building Supplies	$19,600
Elevator Maintenance	$22,000
Exterminating	$ 7,500
Lobby Expense	$ 6,000
Metal & Stone Maintenance	$12,000
Alarm Maintenance	$12,000
Scaffold Maintenance	$15,000
Window Washing	$30,000
Uniform Expense	$10,000
Landscaping	$ 3,600
Snow Removal	$ 2,000
Total	$139,700

The Commercial Unit will share in certain expenses based on its percentage of Common Interest:

Building Supplies	$ 19,600
Exterminating	$ 7,500
Fire Alarm Maintenance	$ 12,000
Landscaping & Snow Removal	$ 5,600
Permits	$ 2,500
Total	$ 47,200

$47,200 x 5.1791% = $2,445

No contracts have been entered into. These figures are based on estimates received from contractors and/or experience in similar buildings. Contracts will not be entered into until the Project is closer to completion.

10. Insurance ($65,200)

This figure is based on an estimate from BWD Group LLC, 45 Executive Drive, Plainview, NY 11803 dated July 20, 2012:

BWD GROUP LLC
Commercial Insurance Services Group

July 20, 2012

Insurance Proposal

200 East 79th Street Condominium
200 East 79th Street
New York NY

Commercial Package Policy

Property

Limits:	$60,000,000	Building
	$ 2,000,000	Business Income with Extra Expense
Sub Limits:	$1,000,000	Increased Cost of Construction
	$1,000,000	Demolition
	$1,000,000	Flood
	$1,000,000	Underground Water
	$1,000,000	Back Up of Sewers and Drains
	$1,000,000	Earthquake
	Included	Boiler & Machinery, Mechanical Breakdown
	$ 50,000	Accounts Receivable
	$ 50,000	Business Income – Dependent Properties
	$ 25,000	Computer Coverage
	$ 250,000	Damage to Premises Rented to You
	$ 15,000	Debris Removal
	$ 25,000	Employee Dishonesty
	150 Days	Extended Business Income
	$ 5,000	Fire Department Service Charge
	$ 25,000	Fire Protection Equipment Recharge
	$ 2,500	Forgery or Alteration
	$ 5,000	Money & Securities – outside
	$ 10,000	Money & Securities – inside
	$ 250,000	Newly Acquired or Construction Property
	Included	Notice to Company
	$ 20,000	Off Premises Services
	$ 5,000	Outdoor Antennas & Satellites

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	$ 25,000	Outdoor Signs
	$ 25,000	Outdoor Trees, Shrubs, and Plants
	$ 5,000	Personal Effects and Property of Others
	$ 10,000	Pollutant Cleanup
	60 Days	Preservation of Property
	1000 ft	Property Distance Extension
	$ 15,000	Property off Premises
	$ 7,500	Valuable Papers and Records
	$ 10,000	Water
	$ 10,000	Lost or Stolen Key
Deductible:	$ 5,000	All perils except noted below
	$ 25,000	Flood
	$ 25,000	Underground Water
	$ 25,000	Back-up Sewers and Drains
	5%	Earthquake
Perils:	All Risk – subject to standard policy terms & conditions	
Valuation:	Replacement Cost / Agreed Amount – Building Actual Loss Sustained – Business Income	

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BWD GROUP LLC

Commercial Insurance Services Group

General Liability

Limits:	$2,000,000	General Aggregate
	Included	Products / Completed Operations
	$1,000,000	Personal & Advertising Injury
	$1,000,000	Per Occurrence
	$ 100,000	Fire Damage Legal
	$ 5,000	Medical Payments
	$1,000,000	Hired & Non-Owned Auto
Deductible:	$3,000	Per claim for property water damage
Exclusions:	Basic Construction Exclusion, Asbestos, Pollution, Nuclear, Y2K, Employment Related Practices and other standard exclusions	

Umbrella Liability

Limits:	$100,000,000	Each Occurrence
	$100,000,000	Aggregate
SIR:	$ 10,000	Each Occurrence
Exclusions:	Asbestos, Pollution, Nuclear, Y2K, Employment Related Practices and other standard exclusions.	

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BWD GROUP LLC

Commercial Insurance Services Group

Directors & Officers

Limits:	$1,000,000	Each Occurrence
	$1,000,000	Aggregate
Deductible:	$2,500	

Fidelity Coverage:

Limits:	$1,000,000	Each Occurrence
	$1,000,000	Aggregate
Deductible:	$ 1,000	

Workers Compensation & Disability: TBD based on payroll and number of employees

Premium Summary*

Package:	$52,000
Umbrella:	$ 7,500
Directors & Officers:	$ 3,700
Fidelity:	$ 2,000
Total:	**$65,200**

*It should be noted that these premiums are subject to change due to market conditions at the time coverage is placed.

X _____

Broker – BWD Group LLC

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BWD GROUP LLC

Commercial Insurance Services Group

IMPORTANT INFORMATION

Please review the quote carefully as terms and conditions may differ from your current insurance program and also differ from the insurance specifications submitted by you or your representative.

All premiums and coverage quoted are based on information provided by you at the time of quotation and are subject to adjustment. Rates are those in effect at the time of quotation and may be subject to change based on carrier considerations prior to policy inception. Electing to buy or renew only some of the lines of coverage may result in changes to the terms, conditions and premiums of the remaining insurance lines.

When this proposal contains references to liability limits, please note that higher limits may be available. Please advise us if you would like premium indications for higher liability limits. Please note that limits may extend through excess and/or umbrella policies and this should be factored into your decision concerning the appropriate limits.

When this proposal contains references to property limits it is understood that it is the insured's responsibility to determine the replacement cost of such property and to select an appropriate limit. BWD Group would be pleased to assist in helping to determine property values however the ultimate decision on limits purchased is the insured's.

INSURANCE COMPENSATION DISCLOSURE

As an insurance producer, BWD is licensed by the State of New York. Insurance producers are authorized by their license to confer with the insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

As the purchaser you should understand that BWD will typically receive compensation from the selling company based on the agreement it has with the company. That compensation may vary from company to company and also be impacted by the volume of business it places with the company, the profitability of that business and other factors.

You may receive information about BWD's compensation on the policy or policies you select and about any policies we have presented to you which you did not select by asking for the information.

BWD GROUP

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11. Management ($85,000)

This figure represents the estimated annual cost of management services, based on prevailing rates. Sponsor expects to have the Board of Managers enter into a written agreement with Rose Associates, Inc., 200 Madison Avenue, New York, NY, for a term of two years effective on the date of the First Unit Closing. It is expected that the Managing Agent will receive an annual fee of $85,000 for the first year of the contract and $90,000 for the second year of the contract, payable in monthly installments. After the first year, the contract may be canceled by either party on 60 days notice. The Unit Owners will share this expense based on their respective Common Interests.

12. Legal, Audit & Professional Fees ($15,000)

This figure is budgeted to provide $9,000 for auditing and accounting fees in connection with the preparation of the first year's audited financial statements and tax returns for the Condominium, based on an estimate prepared by Newman, Newman & Kaufman, LLP, 575 Underhill Boulevard, Syosset, NY. The budget amount also projects $3,500 for minor legal services rendered in connection with the operation of the Condominium and $2,500 for other Professional services. The Unit Owners will share these costs based on their respective Common Interests.

13. Resident Manager Unit ($121,948)

Sponsor anticipates selling Unit 2F to the Board of Managers for a purchase price of $1,474,800 for use and occupancy by the Resident Manager. It is anticipated that at the closing of the Resident Manager's Unit, the Board of Managers will execute and deliver to Sponsor a purchase money note in the amount of $1,474,800 representing the full purchase price of Residential Unit 2F. Starting on the first day of the full calendar month following title closing to the Resident Manager's Unit, and on the first day of each succeeding month until maturity, constant monthly payments in the amount (assuming interest at 4.5% per year) of approximately $7,473 (i.e., $89,676 per year) will be required to be made by the Board of Managers to the sponsor.

Amount Financed:	$1,474,800
Interest Rate:	4.5%
Amortization:	30 year schedule
Maturity Date:	15 years from the day of closing.
Payment Terms:	Starting on the first day of the full calendar month following title closing to the Superintendent's Unit, and on the first day of each succeeding month until maturity, constant payments of $7,473 will be due on the Sponsor purchase money note.
Prepayment:	The loan may be prepaid in full or in part (in multiples of $5,000) on the first day of a month, upon giving not less than 10 days prior written notice of intention to repay, without premium or penalty, but with interest accrued to the date of prepayment on the amount

pre-paid.

Security: First mortgage lien on the Resident Manager's Unit will be security for the loan.

Restrictions: The unpaid principal and accrued interest will be immediately due at the option of Sponsor in the event the Unit is sold or further mortgaged or is leased to or occupied by other than the Resident Manager.

Late Charge: Two cents on each dollar overdue for more than 15 days.

Prospective purchasers are advised that the purchase price of the Resident Manager's Unit represents, in effect, an additional purchase price to each purchaser of a Unit (i.e., a portion of the purchase price of the Resident Manager's Unit is attributed to each Residential Unit). However, purchasers will not be required to pay for their proportionate share of the purchase price at title closing to their Units. Instead, all Residential Unit Owners will pay the purchase price for the Superintendent's Unit directly in their Common Charges, which includes debt service on the loan from Sponsor.

The budgeted amount for the Superintendent's Unit includes, in addition to approximately $89,676 attributable to debt service payments, the following estimated costs: Common Charges at approximately $19,000 per year, electricity at approximately $2,500 per year and real estate taxes at approximately $10,772 per year. The real estate tax projection used is the amount projected to be due if tax abatement/exemption benefits are in effect. If tax abatement/exemption benefits are not in effect, the real estate tax amount will be higher.

Sponsor will pay all costs associated with conveyance of the Superintendent's Unit to the Board of Managers, including payment of the New York City Real Property Transfer Tax and New York State real estate transfer tax, and will pay for a fee and mortgagee title policy as well.

13. Operating Contingency ($35,000)

This amount, to be used at the discretion of the Board, is intended to benefit the Condominium 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 Unit Owners will share these costs based on their respective Common Interests.

14. Reserve Fund ($63,526)

In an effort to comply with the requirements of certain secondary market lenders, including, but not limited to, the Federal Housing Administration, Veteran Affairs, Fannie Mae, and Freddie Mac, a reserve fund in the total amount of $63,526 has been incorporated into the condominium budget for the First Year of Operations for the purposes of establishing a reserve for the periodic maintenance, repair, and replacement of the Common Elements, as determined by the Condominium Board of Managers.

No representation is made that the reserve fund will be, or is intended to be, adequate to cover expenses for the first, or any subsequent year of Condominium operation, including, without limitation, the cost of any necessary repairs or replacements or that this reserve fund

will satisfy the secondary market requirements. If such improvements or repairs are needed within that time period it is anticipated that they will be funded from the reserve fund. If additional funds are required over and above the reserve fund, it may be necessary to increase the Common Charges or institute a special assessment. The Unit Owners will share these costs based on their respective Common Interests.

The foregoing projected 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 all Unit Owners. The Residential Unit Owners and Commercial Unit Owner will share this cost based on the type of cost involved, as described above.

. . . . . .

IN THE OPINION OF ROSE ASSOCIATES, INC., THE FOREGOING ESTIMATED COMMON CHARGES ARE SUFFICIENT TO PAY THE PROJECTED OPERATING EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING JULY 1, 2013. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF CONDOMINIUM OPERATION WILL BE PRECISELY AS SET FORTH IN THIS BUDGET.

SCHEDULE B - 1 ESTIMATED ENERGY COSTS

MGE 20
20 YEARS OF ENGINEERING SUCCESS

September 27, 2011
(Revised January 11, 2012)

Mr. David J. Malitzky
GARDEN HOME DEVELOPMENT
13-15 West 54th Street, 1st Floor
New York, NY 10019

Tel No.: 212-586-7522
Via Email: davidm@gardenhomes.com

Re: 200 East 79th Street
New York, New York
"Estimated Energy and Utility Costs"
Project No. 5886.00

Dear Mr. Malitzky:

We offer the following preliminary energy and utilities cost estimates for the Residential occupancy at 200 East 79th Street.

COMMON WATER AND SEWER CHARGES	**$ 69,882.00**
1. Water Charge	$ 24,709.00
2. Sewer Charge	$ 39,288.00
3. Cooling Tower Make-Up Water Charge	$ 5,885.00

4. The above estimates are based on the following:

   a. Building population: 194
   b. Estimated usage 100 gallons per person per day
   c. Water costs are computed at $2.61 per 100 cubic feet
   d. Sewer costs are computed at $4.15 per 100 cubic feet
   e. Conversion factor 7.49 gallons per cubic feet

COMMON GAS CHARGES	**$ 229,818.00**
1. Space Heating	$ 145,991.00
2. Corridor Heating/Cooling Unit	$ 8,515.00
3. Kitchen/Home Office Make-Up Air Units	$ 25,611.00
4. Cellar Make-Up Air Unit	$ 11,176.00
5. Domestic Hot Water	$ 27,138.00
6. Cooking	$ 9,667.00
7. Gas Dryers	$ 1,720.00

MGE 20
20 YEARS OF ENGINEERING SUCCESS

January 11, 2012
Mr. David J. Malitzky
Project No.: 5886.00
Page 2

TOTAL COMMON ELECTRIC CHARGES	**$**	**159,002.00**
1. Plumbing Equipment	$	12,611.00
2. HVAC Equipment	$	116,127.00
3. Light Equipment	$	14,673.00
4. Elevator Equipment	$	15,591.00

Electric cost is based on $0.20/kwh, from New York State Department of Public Service-monthly Residential bills including all taxes and charges.

Refer to attached Schedule B-1 individual apartment loads.

All costs **do not include a 10% cost factor.** Energy costs were based on published information available at the time this report was prepared. These costs are subject to regulatory and market conditions, and will most likely increase in the future.

If you have any questions or require additional information, please do not hesitate to call.

Very truly yours,

Bruce W. Jaffe
Senior Executive Director

Encl./AG Report B1 Schedule/AG Report Calcs 1-11-12

cc: **Cetra/Ruddy Incorporated**
Mr. Brian McFarland, mcfarlandB@cetraruddy.com
Mr. Chris Cheung, Cheungc@cetraruddy.com

Garden Home Development
Mr. Michael Thompson, miket@gardenhomes.com
Mr. Todd Suyama, todd.suyama@yahoo.com

Masha Dinaburg, P.E., LEED AP / Kevin Cheung / Michael Fiorillo / Jack McCarthy / Dusan Pristic / Ed Gallet

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Schedule B-1: Individual Apartment Electrical Costs												
Apt. No.	Unit Lighting & Power (KW)	Annual Lighting (KWHrs)	Gas Cooktop (KW)	Annual Cooktop (KWHrs)	Electric Dryer Load (KW)	Annual Dryer Usage (KWHrs)	Estimated WSHP/AC Peak Load (KWatts)	Annual WSHP/AC Power (KWHrs)	Estimated WSHP Heating (KW)	Annual HP Power (KWHrs)	Total Annual Usage (KWHrs)	Estimated Annual Elec. Cost
2A	4	2,949	0.20	73	5.00	780	1.25	1289	0.8	1,348	6,439	$1,288
2B	4	2,877	0.20	73	5.00	780	1.25	1289	0.8	1,348	6,367	$1,273
2C	4	2,878	0.20	73	5.00	780	1.25	1289	0.8	1,348	6,368	$1,274
2D	4	2,864	0.20	73	5.00	780	1.25	1289	0.8	1,348	6,354	$1,271
2E	4	2,862	0.20	73	5.00	780	1.25	1289	0.8	1,348	6,352	$1,270
2F	5	3,921	0.20	73	5.00	780	3.56	3674	2.4	3,939	12,387	$2,477
3A	6	4,428	0.20	73	5.00	780	5.99	6188	3.9	6,348	17,817	$3,563
3B	7	4,965	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,692	$4,138
3C	6	4,654	0.20	73	5.00	780	5.87	6059	4.0	6,530	18,095	$3,619
4A	6	4,428	0.20	73	5.00	780	5.99	6188	3.9	6,348	17,817	$3,563
4B	7	4,965	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,692	$4,138
4C	6	4,654	0.20	73	5.00	780	5.87	6059	4.0	6,530	18,095	$3,619
5A	6	4,428	0.20	73	5.00	780	5.99	6188	3.9	6,348	17,817	$3,563
5B	7	4,965	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,692	$4,138
5C	6	4,654	0.20	73	5.00	780	5.87	6059	4.0	6,530	18,095	$3,619
6A	6	4,428	0.20	73	5.00	780	5.99	6188	3.9	6,348	17,817	$3,563
6B	7	4,965	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,692	$4,138
6C	6	4,654	0.20	73	5.00	780	5.87	6059	4.0	6,530	18,095	$3,619
7A	6	4,428	0.20	73	5.00	780	5.99	6188	3.9	6,348	17,817	$3,563
7B	7	4,965	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,692	$4,138
7C	6	4,654	0.20	73	5.00	780	5.87	6059	4.0	6,530	18,095	$3,619
8A	6	4,965	0.20	73	5.00	780	5.99	6188	3.9	6,348	18,354	$3,671
8B	7	4,965	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,692	$4,138
8C	6	4,654	0.20	73	5.00	780	5.87	6059	4.0	6,530	18,095	$3,619
9A	6	4,428	0.20	73	5.00	780	5.99	6188	3.9	6,348	17,817	$3,563
9B	7	4,965	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,692	$4,138
9C	6	4,654	0.20	73	5.00	780	5.87	6059	4.0	6,530	18,095	$3,619
10A	8	6,166	0.20	73	5.00	780	11.36	11731	7.9	12,848	31,598	$6,320
10B	7	4,998	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,725	$4,145
11A	8	6,166	0.20	73	5.00	780	11.36	11731	7.9	12,848	31,598	$6,320
11B	7	4,998	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,725	$4,145
12A	8	6,166	0.20	73	5.00	780	11.36	11731	7.9	12,848	31,598	$6,320
12B	7	4,998	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,725	$4,145
13A	8	6,166	0.20	73	5.00	780	11.36	11731	7.9	12,848	31,598	$6,320
13B	7	4,998	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,725	$4,145
14A	8	6,162	0.20	73	5.00	780	11.36	11731	7.9	12,848	31,594	$6,319
14B	7	4,988	0.20	73	5.00	780	7.05	7283	4.7	7,591	20,715	$4,143
15A	7	5,272	0.20	73	5.00	780	9.36	9668	6.3	10,181	25,975	$5,195
15B	7	5,157	0.20	73	5.00	780	8.30	8572	5.5	8,939	23,521	$4,704
16A	7	5,419	0.20	73	5.00	780	10.67	11022	7.3	11,817	29,110	$5,822
16B	7	4,811	0.20	73	5.00	780	7.24	7477	4.7	7,696	20,837	$4,167
17A	7	5,330	0.20	73	5.00	780	9.67	9990	6.2	10,105	26,279	$5,256
17B	6	4,712	0.20	73	5.00	780	7.24	7477	4.7	7,696	20,738	$4,148
18A	9	6,866	0.20	73	0.00	-	17.72	18305	11.0	17,827	43,071	$8,614
19A	9	6,717	0.20	73	0.00	-	17.72	18305	11.0	17,827	42,922	$8,584

Notes:

1) annual lighting and power diversity based on 8 hrs x 365 days x 25%.
2) annual wshp cooling hr estimated at 90% 48 cooling days x 24 hrs.
3) annual wshp heating hours estimated at 75% x 90 heating days x 24 hrs
4) annual gas cooktop est 365 hr a year at 200watt

200 EAST 79ST			
Water Charges			
Population		194	If not provided by client/architect, estimate 1 per first bedroom of each apartment and 1 per each additional bedroom of each apartment
Water Usage	x	100	Estimated Usage is 100 gallons per day (gpd)
Conversion	x	365	Day per year
Annual Usage	x	7,081,000	Gallons per year
N/A	div by	**7.48**	Gallons per cubic feet
N/A	div by	**100**	hundred cubic feet
Annual Usage		**9,467**	Hundred Cubic feet per year
Water Costs	x	**$ 2.61**	$1.60 per 100 cubic feet of water used
		$24,708.87	Estimated Annual Water Usage Charges
Annual Water and Condensate Usage	x	9,467	Hundred Cubic feet per year (from above)
Sewer Costs	x	$ 4.15	
		$39,288.05	Estimated Annual Sewer Charges

Condenser Water charges

Tower load		1032	gpm
Make up water rate		2.00%	
Make up water per hour		20.64	
Equvalent full load hours		1,362	hours
Make up water per year		1,686,701	gallons
		7.48	gallons/ft3
Hundred Cubic Feet		2,255	
Water cost		**$ 2.61**	100 cubic feet
Make up water cost		$ 5,885	

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200 EAST 79ST			
Common Water Charges			**$69,882**
	Water Charge		$24,709
	Sewer Charge		$39,288
	Cooling Tower Make up		$5,885
Common Gas Charges			**$229,818**
	Heating Boiler		$145,991
	Corridor Heating/Cooling Units		$8,515
	Kitchen Makeup Units		$25,611
	Cellar MUA unit		$11,176
	Domestic Hot Water		$27,138
	Cooking		$9,667
	Gas Dryers		$1,720
Individual Apartment Electric Charges			
	See Separate Sheet		
Total Common Electric Charges			**$159,002**
	Plumbing Equipment		$12,611
	HVAC Equipment		$116,127
	Lighting Equipment		$14,673
	Elevator Equipment		$15,591

UTILITY RATES

WATER	$	2.61	PER 100 CUBIC FEET
SEWER	$	4.15	PER 100 CUBIC FEET
ELECTRIC	$	0.20	KWH
HEATING GAS	$	1.82	THERM
COOKING GAS	$	1.88	THERM

DOES NOT INCLUDE 10% ESCALATION

COMPLIANCE WITH REAL PROPERTY LAW §339-i

Rose Associates, Inc.

200 Madison Avenue
New York, NY 10016
rosenyc.com

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

Dated: July 26, 2012

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

Attention: Investment Protection Bureau

Re: Condominium Offering Plan
200 East 79th Street Condominium
200 East 79th Street
New York, New York 10075 ("Property")

Dear Sir/Madam:

200 East 79th Street LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Rose Associates, Inc. ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over 45 years and have been actively associated with sale and management of condominium and cooperative buildings.

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

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

The Firm certifies that it is not owned or controlled by Sponsor and that it has no financial interest in the offering other than its fee for services rendered in

connection with the preparation of this letter (and acting as Selling Agent under the Offering Plan). The Firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

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

Very truly yours,

Rose Associates, Inc.

By: _____
Mitchell S. Gelberg
Managing Director

COMMERCIAL UNIT

A. The Condominium will initially contain one (1) Commercial Unit. The Commercial Unit will initially be retained by Sponsor and is not offered for sale under this Plan.

B. The Commercial Unit may be used for any lawful purposes, including, without limitation, department and other retail stores, theaters, banks, restaurants and commercial and professional offices, studios and storage space. No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Commercial Unit or as to who the tenants or occupants of any portion of the Commercial Unit may be, at any time, or as to the uses to which any portion of the Commercial Unit may be put at any time (except that the Commercial Unit may be used for any lawful purpose), and no assurance is given that such tenants, occupants or uses will not be objectionable to Residential Unit Owners.

C. The Residential Board will have no right to restrict or limit the method of operation, use or appearance of the Commercial Unit which are permitted by Law. The Commercial Board may adopt rules or approve changes relating solely to the Commercial Unit, including rules of operation. No rules affecting the operation of the Commercial Unit may be adopted or modified by the Condominium Board without the consent of the Commercial Board. Notwithstanding the foregoing, if the insurance premiums for the Condominium are increased as the result of a particular use of a Commercial Unit, the Commercial Unit Owner of said Commercial Unit shall be responsible for such increase in premium.

D. All or any part of the Commercial Unit may be leased or subleased by the Commercial Unit Owner, all as more fully set forth in the Declaration.

E. There are no restrictions in the Declaration or By-Laws as to the sale or transferability of the Commercial Unit. Notwithstanding the foregoing, the Plan must first be amended should the Commercial Unit be offered for sale. The Residential Unit Owners, other than Sponsor, will have no interest in the rents, profits or revenues from the rental or use of the Commercial Unit.

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

G. According to the opinion of Stroock & Stroock & Lavan LLP, the Common Charges projected to be payable by the owner of the Commercial Unit are adequate and sufficient to cover the Common Expenses fairly attributable to the Commercial Unit.

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

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

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

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

L. At the request of a Commercial Unit Owner, the Boards will also be obligated to provide a Commercial Unit Owner with an estoppel certificate in form and substance requested by any lender or tenant thereof.

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

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

CHANGES IN PRICES AND UNITS

Changes in the Residential Section

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

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

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

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

E. In order to meet the possible varying demand for number and type of Residential Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of any Board, Unit Owner or Permitted Mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Unsold Residential Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between one or more Unsold Residential Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit, (c) designate a Residential Common Element or Residential Limited Common Element, Commercial Common Element or Commercial Limited Common Element or General Common Element as part of a newly created or expanded Residential Unit, Commercial Unit, Commercial Common Element, Residential Common Element, Residential Limited Common Element or Commercial Limited Common Element or designate all or part of a Residential Unit as a newly created or expanded Commercial Unit, Residential Common Element, Residential Limited Common Element, Commercial Common Element or Commercial Limited Common Element and (d) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b), (c) or (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Residential Unit, will be made with respect to any Residential Unit for which an Agreement is then in effect and the Purchaser thereunder is not in default, beyond the expiration of any applicable notice and cure period, unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, Common Interest, dimension, floor space or layout of such Residential Unit. The Common Interest of a Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

F. No material change will be made in the size or number of Units and/or their respective Common Interest and/or in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if an Agreement has been executed and delivered to Sponsor for that Unit and the Purchaser is not in default. Unless all purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements. In the event such changes are made, Purchasers not in default shall receive a right to rescind that is not less than fifteen (15) days after the date of presentation of an amendment setting forth the right to rescind. Sponsor will return any Deposit together with interest earned thereon promptly to Purchasers who rescind.

G. Once the Declaration is recorded, no change may be made in the number of Units nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Unit be changed, unless, in

each such event, the Declaration and Floor Plans and this Plan are amended with the consent of each Unit Owner whose Unit is so changed. Sponsor will have the right to amend or to cause the Residential Board or Condominium Board to amend the Declaration to reflect any such change and to file such amendment and any necessary plans and specifications in connection therewith.

H. As long as the layout and dimensions of a Residential Unit conform substantially to the Residential Unit Plans, a Purchaser will not be excused from purchasing the Residential Unit and will not have any claim against Sponsor as a result of any insubstantial or immaterial change or discrepancy. Determinations as to materiality are ultimately made by the Department of Law.

INTERIM LEASES

A. Sponsor and/or the owner of any Unsold Unit reserves the right with respect to any Unsold Unit, prior to the date of closing thereto, to rent or lease such Unsold Unit on an interim basis pursuant to an Interim Lease for such rent and term and on such other conditions as may be agreed to between Sponsor or such owner and a Purchaser. Purchasers are advised that the tenancy under such Interim Lease is not subject to governmental regulation as to amount of rent or term. No occupancy may commence until a Temporary Certificate of Occupancy has been obtained for such Unsold Unit.

B. Purchasers or any other persons entering into an Interim Lease for an Unsold Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the Interim Lease. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the Interim Lease. Any fees above $2,500 will be billed on an hourly basis at Stroock & Stroock & Lavan LLP's customary rates. In connection with the Closing of a Unit subject to an Interim Lease, all other charges or other fees due under an Interim Lease shall be adjusted as of as of midnight of the day preceding the Closing Date to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Lease for any Unit. (See the Sections entitled "Closing Costs and Adjustments" set forth in Part I of the Plan.)

C. Individuals leasing Units from Sponsor will not, except as expressly provided in their respective Interim Leases, have any special rights to purchase such Units. Any Interim Lease for a Unit entered into with a Purchaser will provide among other things, that an uncured default by the Purchaser under the Agreement with respect to a Unit will constitute a Event of Default under the Interim Lease entitling Sponsor, at its sole option, to terminate such Interim Lease in accordance with applicable Law. In addition, each Agreement will provide that an uncured default by the Purchaser under any Interim Lease in the Building will constitute an Event of Default under the Agreement entitling Sponsor, at its sole option, to terminate such Agreement and to exercise any remedies therein provided. In addition, each Agreement may provide that an uncured default by the Purchaser under an Interim Lease in the Building with respect to the Unsold Residential Unit will constitute an Event of Default under the Agreement entitling Sponsor or the Owner of such Unsold Residential Unit, at its option, to terminate such Agreement and to exercise any remedies therein provided; provided however, that before Sponsor or the Owner of such Unsold Residential Unit utilizes the default under the Interim Lease to declare an Event of Default under the Agreement, Sponsor or such owner will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unsold Residential Unit. A Purchaser will have thirty (30) days to vacate an Unsold Residential Unit after an Event of Default under the Agreement or the exercise of a right of rescission.

D. Notwithstanding any of the foregoing, Sponsor will be under no obligation to enter into any Interim Lease and no portion of the rent paid under an Interim Lease will be credited towards the Purchase Price of a Unit unless the Interim Lease expressly provides.

PROCEDURE TO PURCHASE

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

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

C. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Residential Unit pursuant to the Agreement shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent make any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are advised to consider financing arrangements before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. In addition, a lending institution could withdraw its commitment if it believes a Purchaser's financial condition has worsened or that the Residential Unit's appraised value has decreased. If Purchaser chooses to finance Purchaser's purchase of a Residential Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in a Purchaser's financial status or condition shall release or relieve such Purchaser of Purchaser's obligations pursuant to the Agreement.

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

E. If an Agreement is not accepted by Sponsor within the aforesaid thirty (30) day period (by Sponsor executing the Agreement and returning same to Purchaser or Purchaser's counsel within the aforesaid thirty (30) day period), the Agreement shall be deemed to have been rejected and all sums theretofore deposited thereunder, together with any interest earned thereon,

shall be promptly returned to the prospective Purchaser. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of any Board, to refuse to approve and execute an Agreement for any Residential Unit, except as prohibited by Law. No prospective Purchaser will have any claim against Sponsor for Sponsor's failure to execute an Agreement.

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

G. At the time an Agreement is executed, the Purchaser is required to make an Initial Deposit with an Additional Deposit due and payable no later than the earlier to occur of: (i) four (4) months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection.

H. All Deposit checks must be made payable to the direct order of "STROOCK & STROOCK & LAVAN LLP, ESCROW AGENT." If any Deposit check is returned for insufficient funds or any other reason, Sponsor at its option, may declare the Agreement void ab initio and of no further force and effect, may terminate the Agreement and institute an action against Purchaser for the collection of the Deposit as liquidated damages or may declare a default or an Event of Default, as the case may be, by Purchaser under the Agreement which shall entitle Sponsor to exercise any of the remedies set forth in the Agreement.

I. The payment of the balance of the Purchase Price shall be paid by official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association or, at Sponsor's election, upon not less than two (2) days' prior written notice, by wire as directed by Sponsor with instructions thereof provided by Sponsor to Purchaser. Funds drawn on out-of-state or foreign banks or New York bank or trust companies which are not a member of The New York Clearinghouse Association will not be accepted in payment of the Purchase Price, including the Deposit, for a Residential Unit unless otherwise agreed by Sponsor. Sponsor makes no representations or guarantees that the foregoing will not be further modified. Checks for the balance of the Purchase Price shall be made payable to the direct order of such other party as Sponsor may designate upon not less than two (2) days prior notice.

J. Sponsor may agree, in its sole discretion, to perform Custom Work to a Residential Unit. Unless otherwise agreed to by Sponsor, a Purchaser shall bear the cost of the Custom Work and shall deposit the Custom Work Deposit upon the execution of the Agreement for the Residential Unit in an escrow account with Escrow Agent in accordance with the Plan. The Custom Work Deposit may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow Agent that all or any portion of the Custom Work has been or will be commenced or that materials for the Custom Work must be ordered. In the event a Purchaser becomes entitled to rescission or if the Plan is withdrawn or abandoned by Sponsor: (i) the Purchaser shall not receive a refund of the Custom Work Deposit, if any, which has been released from the escrow account, (ii) Purchaser shall be responsible for the Custom Work Costs less any Custom Work Deposit and

(iii) Purchaser shall be responsible for any Restoration Costs. In the event the Agreement is terminated by Sponsor, for any reason, by notice of termination to Purchaser, and Sponsor retains the Deposit, the Sponsor shall also retain the entire Custom Work Deposit in order to reimburse Sponsor for performing the Custom Work. Alternatively, if not already paid, Sponsor shall be entitled to commence an action against Purchaser to recover the Custom Work Costs and Restoration Costs for performing the Custom Work and/or restoring the Residential Unit to its original condition. Where the Custom Work Deposit shall be paid to one party or the other, it shall include interest paid thereon.

K. Sponsor shall be under no obligation whatsoever to agree to perform any Custom Work for a Purchaser, nor shall Sponsor have any obligation to allow a Purchaser to perform any special work or install extra furnishings prior to Closing. Any Custom Work or any special work or installation of extra furnishings which a Purchaser desires to be performed with regard to a Residential Unit shall be done only upon Sponsor's written consent thereto and Sponsor's approval of all contractors and suppliers in connection therewith, which consent and approval are within the sole and absolute discretion of Sponsor.

L. Purchasers are hereby advised that in no event shall the presence of any furniture, furnishings, fixtures (including, without limitation, light fixtures), equipment, decorations, wall coverings, wall paper or the like in any model unit or in any Common Element or in any advertisements or renderings with respect thereto, imply or represent that any Unit offered for sale under the Plan will also contain such furniture, furnishings, fixtures (including, without limitation, light fixtures), equipment, decorations, wall coverings, wall paper or the like upon delivery of a Unit offered for sale under the Plan to Purchaser unless Sponsor agrees to and Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the Purchase Price for such Unit offered for sale under the Plan. (See Sections of the Plan entitled "Rights and Obligations of Sponsor" and "Rights and Obligations of Unit Owners and the Condominium Board of Managers" set forth in Part I of the Plan under the subsection entitled "Use of Units" and see a copy of the By-Laws set forth as an Exhibit in Part II of the Plan.)

M. The balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Residential Unit. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

N. In the event of a Purchaser default or Event of Default under the Agreement, **TIME BEING OF THE ESSENCE** with regard to the obligations of Purchaser thereunder, and Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, **TIME BEING OF THE ESSENCE** with regard to the obligation of Purchaser to cure within such thirty (30) day period, Sponsor may, at its option, either (i) terminate the Agreement by notice of termination to Purchaser and retain the Deposit, the Custom Work Deposit, if any, and all other sums deposited by Purchaser under the Agreement, together with interest earned thereon as liquidated damages, it being acknowledged and agreed that such sums may be in excess of ten (10%) of the Purchase Price and that it is extremely difficult and impracticable to ascertain the extent of detriment to Sponsor caused by the breach by Purchaser under the Agreement and the failure of the consummation of the transaction contemplated by the Agreement or the amount of compensation Sponsor should receive as a

result of Purchaser's breach or default; or (ii) bring an action against Purchaser for specific performance, as permitted by Law; or (iii) terminate the Agreement by notice of termination to Purchaser and bring an action for damages; or (iv) exercise all other remedies available to Sponsor at Law or in equity. Upon termination of the Agreement, Purchaser shall have no further rights thereunder, and Sponsor may sell the Unit to any third party as though the Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor.

O. For purposes of this Plan and the Agreement, the term **"TIME BEING OF THE ESSENCE"** shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and an Event of Default entitling Sponsor to the remedies set forth in this Plan and the Agreement.

P. Sponsor will serve Purchasers with written notice of the scheduled Closing Date after an amendment declaring the Plan effective has been accepted for filing, at least thirty (30) days prior to the scheduled Closing Date. The notice shall set forth the date of First Closing. In the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after written notice within which to cure such default, **TIME BEING OF THE ESSENCE**, following which Sponsor shall have the remedies set forth herein. A Purchaser may waive its right to receive written notice of such Purchaser's Closing Date.

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

R. If a Purchaser fails for any reason to close title to the Residential Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) the Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under the Agreement and the Plan, an amount equal to 0.05% (and at an annual percentage rate of 18.25%) of the Purchase Price of the Residential Unit for each day starting from (and including) the originally scheduled Closing Date to and including the day before the actual Closing Date.

S. Prior to the closing of title to a Residential Unit, the Agreement prohibits a Purchaser from listing the Residential Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Residential Unit for sale or lease, without Sponsor's prior written consent. Subsequent to the closing of title to a Residential Unit a Purchaser (other than a Purchaser purchasing for such Purchaser's own or

their immediate family's occupancy) may not advertise, list or sell the Residential Unit for twelve (12) months after acquisition of the Residential Unit (provided however, such limitation shall not apply from and after the date that the Sponsor conveys title to all of the Residential Units). Any such conveyances in violation of the foregoing will be voidable by Sponsor. If any Purchaser engages in any of the foregoing activities, it shall be considered an Event of Default under the terms of the Agreement, thereby entitling Sponsor to any and all remedies under the terms of the Agreement. Purchasers are referred to the Agreement set forth in Part II of the Plan for further details.

T. It is anticipated that the First Closing will occur within twelve (12) months of the commencement date for the First Year of Condominium Operation as set forth in Schedule B. Sponsor has the right to change the anticipated First Year of Condominium Operation by a duly filed amendment to the Plan. If the First Closing does not occur within twelve (12) months of the commencement date for the First Year of Condominium Operation as set forth in the Schedule B, any Purchaser who executed a Purchase Agreement prior to an amendment being filed which extends the commencement date for the First Year of Condominium Operation, will be offered a right of rescission. Such right of rescission shall be offered within fifteen (15) days after the presentation of the amendment disclosing the updated Schedule B. Any Purchaser entitled to rescission and electing rescission will have their Deposits actually made and collected and any interest earned thereon returned. If the Plan is withdrawn or abandoned, the Deposit previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within five (5) days of the amendment abandoning the Plan has been accepted for filing by the Department of Law, in accordance with the provisions herein set forth. Notwithstanding the foregoing, with respect to Custom Work Costs, in the event a Purchaser becomes entitled to rescission, or if the Plan is withdrawn or abandoned by Sponsor (i) the Purchaser shall not receive a refund of the Custom Work Deposit, if any, which has been released from the escrow account, (ii) Purchaser shall be responsible for the Custom Work Costs less any Custom Work Deposit and (iii) Purchaser shall be responsible for any Restoration Costs. Alternatively, if not already paid, Sponsor shall be entitled to commence an action against Purchaser to recover the Custom Work Costs and Restoration Costs for performing the Custom Work and/or restoring the Residential Unit to its original condition.

From and after the Closing of a Residential Unit, Purchaser will become obligated for the payment of Common Charges, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to such Residential Unit Owner's Residential Unit, whether or not the Residential Unit Owner has taken possession of such Residential Unit Owner's Residential Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to the Residential Unit or the Building has been completed. Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan during the Waiver Period as of the First Closing. Sponsor shall be solely responsible for payment of Waiver Period Expenses during the Waiver Period. The Waiver Period shall terminate and the collection of Common Charges shall commence upon the earlier to occur of: (i) the date set forth in a notice from Sponsor to Owners (but in no event less than thirty (30) days prior to such termination), (ii) the date upon which Sponsor has conveyed title to seventy-five (75%) percent of the Residential Units, or (iii) the date upon which the third year of condominium operation commences. Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. However, during

the Waiver Period, Sponsor will continue to update Schedule B to the extent required pursuant to Part 20 of Title 13 NYCRR. All Waiver Period Expenses paid by Sponsor during the Waiver Period are based on the actual costs of operating the Building (including, without limitation, insurance premiums) and not on estimates set forth in Schedule B. There will not be an assessment of the Unit Owners for any line item in the budget which comprises Waiver Period Expenses. Waiver Period Expenses will not include (i) real estate taxes attributable to a Unit Owner's Unit, during any period during which the Unit may not be separately assessed or (ii) the funding of the Contingency Fund. Unit Owners will remain responsible for the payment of real estate taxes during the Waiver Period, which expenses shall be separately allocated to each Unit Owner based upon the Common Interest of such Unit, as more particularly set forth in Schedule A. In accordance with the terms of the By-Laws, Sponsor must maintain a listing of all receipts and expenditures during the Waiver Period. Purchasers are advised that Unit Owners will not be charged a Special Assessment after the expiration of the Waiver Period for expenses which would have otherwise been anticipated to have been funded through Common Charges, had there been no Waiver Period. Purchasers should further note that Sponsor anticipates that the services and amenities disclosed in this Plan will be completed by not later than the Services Completion Date; however, Purchasers should note that during the First Year of Condominium Operation (including the Waiver Period) delivery of such services and amenities may be delayed due to delays in construction of the Building, Unavoidable Delays, and/or until title to 50% percent of the Units have been conveyed to Purchasers under the Plan. Notwithstanding, there will be at least one (1) doorman on duty at the Lobby of the Building eight (8) hours a day seven (7) days a week after the First Occupancy.

U. The risk of loss to any Unit (but not to any portion of the Common Elements) by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an Interim Lease or other agreement with Sponsor, at which time such risk to the Unit (but not to any portion of the Common Elements) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall provide at least three (3) months notice to Purchaser of its intent to restore. In addition Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Boards of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if there is an Event of Default or Purchaser is

then in default under the Agreement (beyond any applicable grace period), Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor.

V. Agreements are not assignable without the prior written consent of Sponsor, which consent may be granted or denied by Sponsor in its sole discretion. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any direct or indirect sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement. The Controlling Party of Purchaser shall remain personally liable for Purchaser's obligations under the Agreement. 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, then Purchaser will be required to pay Sponsor's Counsel a fee of $1,000.00 in advance, for preparation of an assignment agreement. Any purported assignment by Purchaser in violation of the Agreement will constitute an Event of Default thereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Agreement or give rise to any claim for damages against Sponsor.

W. In order to preclude any application of the Rule Against Perpetuities which would otherwise invalidate the Agreement, the Agreement provides that the Agreement shall expire, unless otherwise previously terminated, on the day which is the earlier of (i) twenty-one years after the date of this Agreement, or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Deposit and all interest accrued thereon shall be returned to Purchaser.

Escrow and Trust Fund Requirements

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

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

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

D. All Deposits made by Purchasers prior to the closing of each individual transaction, will be placed, within five (5) business days after tender of the Deposit and executed Agreement by Purchaser to Sponsor or Selling Agent, in a segregated special escrow account of Escrow Agent, provided completed and signed W-9 Forms (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or two (2) original W-8BEN Forms (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), in the form set forth in Part II of the Plan, as applicable, are provided by Purchaser. Escrow Agent has established a "Master Escrow Account" at JPMorgan Chase Bank, N.A. at its branch located at One New York Plaza, New York, New York 10081 entitled Stroock & Stroock & Lavan LLP, Escrow Account No. [redacted] The attorneys who are signatories on this account authorized to withdraw funds are: Leonard Boxer, Esq., Stuart Coleman, Esq., Harvey Brown, Esq., Michel Evanusa, Esq., Alan Klinger, Esq., Ross Moskowitz, Esq., Steven Moskowitz, Esq., and Martin Neidell, Esq. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver two (2) original completed and signed W-9 Forms (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or two (2) original W-8BEN Forms (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If a Deposit is accompanied by two (2) original completed and signed W-9 Forms or W-8BEN Forms, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. If a Purchaser does not deliver two (2) original W-9 Forms or W-8BEN Forms, signed and fully completed with the taxpayer identification number, if required, the Deposit will remain in the non-interest bearing checking portion of the Master Escrow Account and Sponsor will have no obligation to provide interest to a Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

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

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

G. If a Purchaser tenders a Deposit without an executed Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser.

H. Purchasers are further advised that (i) the risk of loss of any portion of the Deposit(s) deposited in accordance with the terms of the Plan and the Agreement shall be borne by Purchaser; (ii) if a Purchaser makes a Deposit(s) in excess of $250,000 for the purchase of a Unit, such Deposit(s) will not be federally insured in excess of $250,000; and (iii) if a Purchaser has any additional accounts in the Escrow Bank the funds in said accounts will be added together

with the Deposit(s) held in escrow and the total will only be insured up to the $250,000 FDIC maximum coverage. The FDIC insurance coverage limit applies per depositor, per insured depository institution for each account ownership category. Accordingly, Purchasers are advised that (i) if a Purchaser makes a Deposit(s) in excess of $250,000 for the purchase of a Unit, such Deposit(s) will not be federally insured in excess of $250,000; and (ii) if a Purchaser has any additional accounts with the Escrow Bank, the funds in said accounts will be added together with the Deposit(s) held in escrow and the total will only be insured up to the $250,000 FDIC maximum coverage. All Purchasers are advised that any funds held in the non-interest bearing Master Account will be fully insured until December 31, 2012. Thereafter Sponsor makes no guarantees or representations as to whether funds held in the non-interest bearing Master Account will be insured. Purchasers are encouraged to visit http://www.fdic.gov for further information and updates.

I. The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Agreement, or (ii) Purchaser is entitled to a return of the interest. All interest will be credited to Sponsor only in the event Purchaser defaults or there is an Event of Default and Sponsor received the Deposit and such interest. The interest rate to be earned will be the prevailing rate for these accounts which varies. When last confirmed by Sponsor, the rate was .20% for all Deposit amounts. Sponsor makes no representations or guarantees that the interest rate paid on Deposits will not increase or decrease and makes no representations regarding the interest which will be paid on the Deposits. Interest will begin to accrue within: (i) three (3) full business days of the Deposit being deposited into escrow, if the Deposit is cash or cash equivalent, or (ii) five (5) full business days of the Deposit being deposited into escrow, if the Deposit is other than cash or cash equivalent, provided the Deposit is tendered with the W-9 or W-8 BEN as set forth herein. All instruments shall be made payable directly to the order of "Stroock & Stroock & Lavan LLP, as Escrow Agent." Endorsed instruments will not be accepted. Information regarding the Escrow Account may be provided to Sponsor and Sponsor's Construction Lender which may be entitled to access to records with respect thereto.

J. Within ten (10) business days after tender of the Initial Deposit, Escrow Agent will notify Purchaser that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. If Purchaser does not receive notice of such Deposit within fifteen (15) business days after tender of the Deposit, Purchaser may (a) cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Deposit or (b) apply to the Department of Law for relief. Rescission may not be afforded where proof satisfactory to the Department of Law is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Department of Law's regulations.

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

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

M. With respect to the release of the Deposit, under no circumstances shall Sponsor apply for a release of the Deposit of a defaulting Purchaser until after consummation of the Plan. The consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h.

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

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

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

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

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

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

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

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

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

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

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

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

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

V. If the application seeking release of funds is denied, the Escrow Agent shall continue to hold the Deposit and any interest earned thereon until: (1) both the Sponsor and Purchaser direct payment to a specified party in accordance with a written direction signed by both the Sponsor and Purchaser; or (2) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent; or (3) the Escrow Agent deposits the disputed amount into court. In no event shall the Escrow Agent release funds in dispute, other than a payment of such funds into court, until such dispute is finally resolved either by determination of the Department of Law or by order or judgment of a court of competent jurisdiction or by written agreement of the Sponsor and Purchaser.

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

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

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

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

AA. Escrow Agent will maintain all records concerning the Master Escrow Account for seven (7) years after the release of funds. The Department of Law may perform random reviews and audits of any records involving escrowed accounts to determine compliance with the applicable statute and regulation.

EFFECTIVE DATE

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

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

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

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

E. In the event the Plan is withdrawn or abandoned, it will be by a duly filed amendment and all Deposits, together with interest earned thereon, if any, will be returned to

Purchasers within five (5) days after the amendment abandoning the Plan has been accepted for filing by the Department of Law. Upon the return of the Deposits, together with any interest earned thereon, the Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Agreements. Notwithstanding the foregoing, with respect to Custom Work Costs, if the Plan is withdrawn or abandoned by Sponsor: (i) the Purchaser shall not receive a refund of the Custom Work Deposit, if any, which has been released from the escrow account, (ii) Purchaser shall be responsible for the Custom Work Costs less any Custom Work Deposit, and (iii) Purchaser shall be responsible for any Restoration Costs. Alternatively, if not already paid, Sponsor shall be entitled to commence an action against Purchaser to recover the Custom Work Costs and Restoration Costs for performing the Custom Work and/or restoring the Residential Unit to its original condition. Where the Custom Work Deposit shall be paid to one party or the other, it shall include interest paid thereon.

F. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and, in the case of an abandonment, shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all funds received.

TERMS OF SALE

A. The Closing of title to each Unit shall be held at the offices of Sponsor's Counsel or at such other place as Sponsor may designate on not less than two (2) business days' prior notice. The Closing of title to each Unit shall take place only after or concurrently with the following events:

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

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

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

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

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

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

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

h. the issuance of a Temporary Certificate of Occupancy for the Unit or Permanent Certificate of Occupancy for the Building; and

i. if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the Purchase

Price of the Unit, insuring that (i) Purchaser has fee title to the Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other than Permitted Encumbrances) to which the Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the Purchase Price of the Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

B. Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the Closing of a Purchaser's Unit. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, and Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. In such event, Sponsor shall provide at least three (3) months notice to Purchaser of its intent to restore. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Agreement, together with interest earned thereon, if any, subject to Sponsor's rights to retain the Custom Work Deposit, and neither party shall have any further liability to the other, except that (i) if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor will retain all such sums deposited by Purchaser under the Agreement and Plan, together with any interest earned thereon, as and for liquidated damages and (ii) Sponsor shall be entitled to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost.

C. The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments. If existing mortgages will not be satisfied at or prior to the First Closing, as of the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed. Title exceptions may include the state of facts shown on a stated survey and any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unmarketable.

D. The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Agreement, in 13 NYCRR, Part 20 (the regulations of the Department of Law of the State of New York governing the acceptance for filing of this Plan) and in General Business Law Section 352-e to survive delivery of the deed. A Purchaser shall receive prior notice that a Residential Unit is available for inspection pursuant to this Paragraph, as more particularly set forth in the Agreement in Part II of the Plan and as described in the Section of the Plan entitled "Rights and Obligations of Sponsor." The Purchaser of a Residential Unit, accompanied by a representative

of Sponsor, shall be entitled to inspect such Residential Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and Purchaser will include on the inspection statement a list of "punch list" work to be completed in the Residential Unit by Sponsor following the Closing Date. Sponsor shall have no obligation to complete any work which is not specifically designated by the Purchaser on the inspection statement. The Purchase of a Residential Unit does not entitle the Purchaser thereof to conduct any testing in the Residential Unit including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. A Purchaser who fails to inspect such Residential Unit shall be deemed to have accepted the Residential Unit in good condition and in accordance with the terms of the Plan.

E. After Closing of title to each Residential Unit, the Purchaser thereof must comply with the procedures established by the Managing Agent regarding such Purchaser's move into the Residential Unit. This may include "move in" fees which will be refunded to the Purchaser unless the Purchaser or the Purchaser's agents damage the Common Elements or another Residential Unit during the move in.

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

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

G. As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable Laws and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Residential Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable Law, there is no warranty as to sound transmission. Unless caused by a violation of Law, there is no warranty as to odors. Unless caused by a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality. The Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and filed building plans and specifications, and any conflict between (a) the disclaimers and (b) the Sponsor's obligation to construct the premises in accordance with all applicable Laws and filed building plans and specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the items set forth in this paragraph (whether based on negligence, breach of contract, warranty, or otherwise), including, without limitation, any costs

associated with a Residential Unit Owner vacating the Residential Unit or its contents during any period of repair or alteration which Sponsor has agreed or is required to perform, it being intended that Sponsor's sole obligations under the Plan will be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), subject to the terms and conditions (and within the time limits) set forth in this paragraph.

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

I. Sponsor shall be under no obligation whatsoever to agree to perform any Custom Work for a Purchaser, nor shall Sponsor have any obligation to allow a Purchaser to perform any special work or install extra furnishings prior to Closing. Any Custom Work or any special work or installation of extra furnishings which a Purchaser desires to be performed with regard to a Residential Unit shall be done only upon Sponsor's written consent thereto and Sponsor's approval of all contractors and suppliers in connection therewith, which consent and approval are within the sole and absolute discretion of Sponsor. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment or Common Element or in any advertisements with respect thereto, imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to Purchaser.

CLOSING COSTS AND ADJUSTMENTS

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

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

(b) Any Purchaser of a Unit which is a Government Entity may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under the Declaration and By-Laws for the payment of Common Charges and/or assessments and otherwise.

(c) If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium which will vary depending upon the amount of insurance requested. The premium for fee title insurance, if ordered from Royal Abstract of New York, LLC, as agent for Stewart Title Insurance Company and Old Republic National Title Insurance Company, having an address at 500 Fifth Avenue, New York, New York 10110, telephone no. (212) 376-0900 will be $402 for the first $35,000 of fee insurance. Purchasers should note that each Purchaser is free to use a title company of his/her choice without penalty. For additional rates, the following will apply:

FEE AMOUNT	PREMIUM
$ 35,001.00	$402.00 + $6.67 per thousand up to $ 50,000.00
$ 50,001.00	$402.00 + $5.43 per thousand up to $ 100,000.00
$ 100,001.00	$402.00 + $4.36 per thousand up to $ 500,000.00
$ 500,001.00	$402.00 + $3.98 per thousand up to $ 1,000,000.00
$ 1,000,001.00	$402.00 + $3.66 per thousand up to $ 5,000,000.00
$ 5,000,001.00	$402.00 + $3.25 per thousand up to $ 10,000,000.00
$ 10,000,001.00	$402.00 + $3.07 per thousand up to $ 15,000,000.00
$ 15,000,001.00+	$402.00 + $2.76 per thousand above $15,000,000.00

(d) These rates are subject to change without notice. Each Purchaser's title underwriter must agree (i) to timely submit the Unit Deed, all Transfer Tax forms, including the Mansion Tax, if applicable, and checks for payment of the Transfer Taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser; and (ii) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event the title underwriter (or its abstract company) fails to file such Unit Deed and Transfer Tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency. If said title underwriter does not execute an indemnification substantially in the form set forth as

Exhibit A to the Agreement in Part II of the Plan, Purchaser will, as more fully set forth in the Agreement, agree to: (a) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) if its title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed, Transfer Tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency; and (b) deposit, at closing, the sum of $3,000 (the "Filing Deposit") with Sponsor's Counsel, which funds may be used by Sponsor (i) to pay legal fees, at Sponsor's Counsel's usual and customary rates, to monitor the recording of the Unit Deed and the filing of the Transfer Tax forms and payment of the Transfer Taxes, and represent Sponsor in connection with any failure to file the Unit Deed, Transfer Tax forms and payment of the required Transfer Taxes or take any action with respect to the failure to file and remit same; and (ii) pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the Filing Deposit is not a maximum amount which must be paid by Purchaser in the event the Unit Deed, Transfer Tax forms and Transfer Taxes are not filed or are not paid in a timely manner.

(e) Purchaser will pay a fee for recording the Unit Deed, Power of Attorney, Mortgage, if any, and any other document in the amount of $162.00 for each deed (inclusive of the filing fee for Form RP-5217NYC) and $37.00 for each additional instrument plus $5.00 per page, as collected by Royal Abstract of New York LLC (each title company establishes its own additional service and surcharges in this regard).

(f) If Purchaser obtains a Mortgage for the purchase of the Unit, the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a Mortgage, Purchaser must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Mortgage as determined by Sponsor. Upon such assignment, that portion of the Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. In such event Purchaser will be obligated to pay any costs of fees incurred in connection with such assignment. Sponsor shall be solely entitled to the benefits of the exemption and accordingly, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Residential Unit pursuant to the Agreement shall not be contingent on obtaining financing for such purchase.

(g) Purchaser will pay the NYC RPT Tax, which currently, for the purchase of a single Residential Unit is 1.425% of the purchase price, assuming a purchase price over $500,000, and the NYS Tax, presently $2.00 for each $500.00 (or part thereof) of the purchase price of a Residential Unit. Purchaser's should note that Sponsor does not warrant or guarantee that the NYC RPT Tax, the NYS Tax, or the Mansion Tax (discussed below) will not be subject to change by the applicable governmental authorities prior to Closing. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration

subject to tax. Purchasers will also be obligated to pay the filing fee for the NYC RPT Tax form which is currently $75.00. Therefore, the steps to compute the tax are:

(i) Multiply the purchase price by the NYC RPT Tax rate to compute the City tentative tax.

(ii) Multiply the purchase price by the NYS Tax rate to compute the tentative NYS Tax.

(iii) Add the tentative taxes to the purchase price.

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

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

Example
Purchase price = $7,750,000

(1)	$7,750,000 x 1.425%	=	$110,437.50
(2)	$7,750,000 x .4% (rounded up to nearest whole $2)	=	$31,000.00
(3)	$7,750,000 + $141,437.50	=	$7,891,437.50
(4)	$7,891,437.50 x 1.425%	=	$112,452.98
(5)	$7,891,437.50 x .4% (rounded up to nearest whole $2)	=	$31,566.00

Each Purchaser's allocable portion of the cost of the Resident Manager's Apartment may be included in the total consideration.

Under the current policies of the New York City Department of Finance, where a Purchaser purchases two or more Residential Units that have not been physically combined into a single residence before the transfer, the NYC RPT Tax rate where the consideration is 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). There is no guarantee that The City of New York will not change its positions with respect to the foregoing. Purchasers of Residential Units should consult their own tax advisors regarding recent New York City Tax Appeals Tribunal determinations rejecting the application of the higher commercial rates of the NYC RPT Tax to sales of multiple residential condominium units.

(h) If the Purchase Price of the Residential Unit is $1,000,000 or more, Purchaser will pay Mansion Tax, which is currently one percent (1%) of the purchase price (the computation of which shall include the RPT Taxes and NYS Taxes as described above).

(i) All legal costs, fees and expenses charged by the Purchaser's counsel shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's Counsel in connection with the closing of title to Purchaser's Residential Unit: (i) $3,500 for preparation of closing documents and attendance at closing, (ii) if the Purchaser requests the Closing to occur at a location 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 $700 for each Closing held in any borough outside Manhattan, (iii) a reschedule fee of $200 if the Purchaser postpones the scheduled Closing (with the consent of Sponsor) less than five (5) business days prior to the date thereof, (iv) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, then Purchaser will be required to pay Sponsor's Counsel a fee of $1,000.00 in advance, for preparation of an assignment agreement. Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Residential Unit. In addition to an attendance fee in connection with a completed Residential Unit transfer, Sponsor's Counsel shall also be entitled to an attendance fee if they attend a scheduled Closing but the Closing is adjourned due to Purchaser's failure to comply with its Closing obligations, the determination of which shall be within the sole discretion of Sponsor's Counsel. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request for an assignment.

Any purported assignment by Purchaser in violation of the Agreement will constitute an Event of Default thereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Agreement or give rise to any claim for damages against Sponsor.

(k) Purchaser will pay a share of the cost of purchasing the Resident Manager's Unit allocated in accordance with the Residential Common Interest of each Residential Unit, as more particularly described on Schedule A, "Offering Prices and Related Information for the Projected First Year of Condominium Operation." The costs of maintaining the Resident Manager's Unit will be a Residential Common Expense, as more particularly described on Schedule B.

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

any mortgage recording tax credit allowed. In addition, where a Purchaser obtains a mortgage loan, the Purchaser will be responsible for all costs associated therewith, including, without limitation, costs incurred in connection with the mortgage application, bank's attorney, survey, appraisal, credit report and points.

(m) Purchasers or any other persons entering into an Interim Lease for a Residential Unit shall be required to pay the legal fees of Sponsor's Counsel in connection therewith upon execution of such Interim Lease. Such legal fees are estimated to be approximately $1,000.00 assuming that the Purchaser's counsel does not negotiate the terms of the lease. Any fees above $1,000.00 will be billed on an hourly basis at the customary rates of Sponsor's Counsel. In connection with the closing of title to a Unit subject to an Interim Lease, all other charges or other fees due under an Interim Lease shall be adjusted as of as of midnight of the day preceding the Closing Date to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Lease.

The following table illustrates the projected closing costs (based on current rates) for a Residential Unit offered at a Purchase Price of $7,750,000 assuming such Purchaser finances seventy-five (75%) (i.e., $5,812,500) of the Purchase Price:

Fee Title Insurance (if purchased simultaneously with mortgage title insurance)	$19,659.50
Fee for recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)	$220.00
Mortgage Loan Closing Costs: - recording mortgage (assuming 20 pages)	$180.00
- mortgage recording tax at 2.05% of mortgage under $500,000 or 2.175% if $500,000 or more (less $30 exemption for first $10,000) a portion of which will be paid directly to Sponsor	$126,391.87
- mortgage title insurance (if purchased simultaneously with fee title insurance)	$3,815.28
- bank charges, including appraisal fee of $275 and legal fees of $350 and assuming further that Purchaser's lender does not require Purchaser to deposit funds to establish a real estate tax escrow)	$2,000.00
RPT Tax and NYS Transfer Tax (inclusive of $125 filing fee for New York State Transfer Report RP-5217NYC)	$144,143.98

Mansion Tax if Purchase Price is over $1,000,000 (increased by NYC RPT Tax and NYS Transfer Tax bulk-up)	$78,914.37
Working Capital Payment (two month's Common Charges then applicable at the closing of title to such Unit)	$8,212.28
Closing Fee (assuming the closing occurs at the offices of Sponsor's counsel)	$3,500.00
TOTAL	$387,037.28

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

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

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

E. At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Residential Common Charges for the month in which title closes and (c) accrued rent and any other charges pursuant to an Interim Lease, if any, covering Purchaser's Residential Unit. Sponsor may also collect, on behalf of the Condominium Board, Residential Common Charges for the month following the month in which the Closing occurs. In the event the Units have not been separately assessed for real estate tax purposes prior to a Closing of a Unit, each Unit Owner will pay a pro rata share in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of Units of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. (Please refer to Schedule A for an estimate of real estate taxes payable during the First Year of Condominium Operation.) In addition, to the extent the Units will not be separately assessed, Sponsor may

collect at Closing, on behalf of the Condominium Board, real estate taxes due and payable for the tax periods in which the Units will not be separately assessed. The Condominium Board will pay such taxes either to the Department of Finance of The City of New York when due or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay such Unit Owner's pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled – "Common Charges: Collection and Lien for Non-Payment, Attachment of Rent" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay real estate taxes directly to the taxing authority.

F. If a Purchaser fails for any reason to close title to its Residential Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of the same, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under the Agreement and this Plan, an amount equal to 0.05% (and at an annual percentage rate of 18.25%) of the Purchase Price of the Residential Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Building

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

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

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

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

(b) Under the present construction schedule, it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner and Custom Work, if any, which Sponsor agrees, in its sole discretion, to perform in individual Residential Units at the request of Residential Unit Owners, a first Temporary Certificate of Occupancy could be issued by the TCO Date and the Building is anticipated to be substantially completed by the Substantial Completion Date. Sponsor makes no warranty or representation as to the date of the issuance of the first Temporary Certificate of Occupancy or the date of substantial completion. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the first few years of condominium operations, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction, which may occur at all hours and could compromise the Building's security systems. During this period, various building systems, including but not limited to water supply, air conditioning, heating, cooling, security, ventilating and elevators, may need to be shut down

temporarily. Sponsor, will have the right to complete construction of the Building and shall have an easement through all parts of the Building, including the Units and the Common Elements in furtherance thereof and may utilize elevators and other building systems and may install and retain scaffolding and other equipment on and in the Building to complete construction of the Building. Sponsor may not fully complete the decoration of portions of the Building, including, without limitation, the lobbies or corridors in the Building, the installation of light fixtures, the hanging of wall coverings or laying carpeting, until a particular section of the Building is complete or a particular floor is fully occupied by Residential Unit Owners. All services required to be provided by Law (if any) shall be provided as of the date of the First Closing. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels.

(c) Prior to the First Closing under this Plan, Sponsor shall have obtained a Temporary Certificate of Occupancy covering the Unit to be closed or a Permanent Certificate of Occupancy for the Building. A Permanent Certificate of Occupancy is required for permanent residential use of the Building and the Residential Units. Temporary residential use of the Building is permitted upon the issuance of a Temporary Certificate of Occupancy, but if a Temporary Certificate of Occupancy, which may be extended up to a total of two (2) years, expires prior to obtaining a Permanent Certificate of Occupancy, residential occupancy of the Condominium may be in violation of the Multiple Dwelling Law, subjecting the occupants of the Building, the Residential Unit Owners and the Condominium Board to penalties under the Multiple Dwelling Law and/or other statutes and regulations, including, possibly, the eviction of residential Unit Owners and occupants. Sponsor makes no representation or guarantee that the New York City Department of Buildings will issue a Permanent Certificate of Occupancy for the Building within two (2) years after issuance of the first Temporary Certificate of Occupancy. In the event that Sponsor does not obtain a Permanent Certificate of Occupancy for the Building within two (2) years after issuance of the first Temporary Certificate of Occupancy, the Condominium Board will be obligated to obtain the Permanent Certificate of Occupancy for the Building and any costs associated therewith could be assessed against all Unit Owners as a Common Expense. The fact that various portions of the Common Elements or other Units may not have been completed prior to a scheduled Closing, shall not provide a basis for Purchaser delaying the Closing or receiving any abatement or credit against the Purchase Price. Further, the Condominium Board and or Residential Board may refuse to permit a Residential Unit Owner to perform Alterations in a Residential Unit until such time as the Building has been completed and a Permanent Certificate of Occupancy has been obtained therefor. Any Alterations performed by a Unit Owner must be performed in accordance with the provisions of the By-Laws and each Unit Owner shall be required to enter into an Alteration Agreement with the Board substantially in the form contained in Part II of the Plan, or such other form of alteration agreement as may be adopted by the Board. As more particularly set forth in the Alteration Agreement, the Unit Owner performing such Alterations shall be obligated (unless otherwise waived in writing by the Sponsor and/or the Board) to (i) provide a security deposit to the Board, in such amount as determined by

the Board, in its sole discretion, which security deposit shall be held as security for the faithful performance and observance by Unit Owner of the terms and conditions of the Alteration Agreement, and (ii) pay a processing fee to the Managing Agent for its review of the proposed plans as set forth in the Management Agreement, which processing fee is currently $1,000.00, and (iii) pay any other review fees required under the Alteration Agreement or adopted by the Board from time to time, and (iv) for so long as Sponsor owns a Residential Unit or until a Permanent Certificate of Occupancy has been obtained, whichever is later, utilize a filing representative or expediter designated by the Sponsor or the Board, as the case may be, to file the proposed plans with Governmental Authorities (as such term is defined in the Alteration Agreement). The foregoing requirement in clause (iv) above shall not be subject to waiver by the Board subsequent to the Sponsor Control Period.

(d) If Sponsor fails to obtain a Permanent Certificate of Occupancy for the Property prior to the First Closing, Sponsor will be obligated: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all Agreements (see the Section entitled "Procedure To Purchase") which would otherwise be payable to Sponsor in the special trust account required by the General Business Law of the State of New York, Sections 352-e(2-b)and 352-h, provided, however, that if Sponsor's Architect certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete all Alterations to be performed by Sponsor, then the amount exceeding the sum so certified by Sponsor's architect shall be released from the special escrow account to Sponsor; or (ii) to deposit with Escrow Agent an unconditional, irrevocable letter of credit, deposit cash or post a surety bond, or provide other collateral acceptable to the Department of Law, in an amount Sponsor's architect, from time to time, certifies is reasonably necessary to complete the work needed to obtain the Permanent Certificate of Occupancy. Any amount held by Escrow Agent, in excess of the amount certified by Sponsor's architect as reasonably necessary to complete the work needed to obtain the Permanent Certificate of Occupancy, can be released from escrow upon the receipt by Escrow Agent of a request by Sponsor. Escrow Agent will rely entirely upon such Sponsor's architect's certificate in releasing such funds and will not make any independent inquiry or evaluation. All interest and income on such escrowed funds may be paid to Sponsor, as and when earned and collected. The fact that various portions of the Common Elements or other Units may not have been completed prior to a scheduled Closing, shall not provide a basis for Purchaser delaying the Closing or receiving any abatement or credit against the Purchase Price. The New York City Department of Buildings advises Purchasers, who close with only a Temporary Certificate of Occupancy in place to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for by Sponsor to obtain a Permanent Certificate of Occupancy. It is strongly recommended that Purchasers consult the "New York City Department of Buildings Website/Consumer Tips" for its recommendation when purchasing Units in a building that does not have a Permanent Certificate of Occupancy.

(e) Each Residential Unit and the fixtures and personal property contained therein are being sold and delivered as described in the Plan, at the time of transfer of title to such Residential Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will

maintain each Residential Unit, and the fixtures and personalty contained therein, up to the time of the transfer of title to the Residential Unit in question. The Purchaser of a Residential Unit shall have the right to inspect such Residential Unit prior to the Closing Date. The Purchase of a Residential Unit does not entitle the Purchaser thereof to conduct any testing in the Residential Unit including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. Moreover, the failure of Sponsor to complete "punch list" type work shall not be a ground for Purchaser to delay the Closing provided that Sponsor agrees to complete such "punch list" type work promptly after Closing and Sponsor is afforded access to the Unit to perform same.

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

(g) Sponsor is obligated to construct the Building in accordance with all applicable Laws and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Residential Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable Law, there is no warranty as to sound transmission. Unless caused by a violation of Law, there is no warranty as to odors. Unless caused by a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality. The Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and filed building plans and specifications, and any conflict between (a) the disclaimers and (b) the Sponsor's obligation to construct the premises in accordance with all applicable Laws and filed building plans and specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the items set forth in this paragraph (whether based on negligence, breach of contract, warranty, or otherwise). Except as otherwise may be agreed upon in writing between Sponsor and Purchaser regarding Custom Work, the Units are being sold "AS IS" in the condition in which they exist at the time a Purchaser signs an Agreement, subject to ordinary wear and tear and further subject to Sponsor's obligation to maintain the Building until the First Closing. All personal property located within a Unit on the date

the Agreement is signed that is owned by Sponsor is included in the conveyance, unless specifically excepted in this Plan.

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

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

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

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

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

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

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

(o) In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing of such Unit, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event, Sponsor shall provide at least three (3) months notice to Purchaser of its intent to restore. In addition, Sponsor shall be entitled

to a reasonable period of time within which to complete the repair or restoration to such Unit, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing of such Unit, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners or the Condominium Board do not resolve to make such repair or restoration pursuant to the By-Laws, the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein if there is an Event of Default or if Purchaser is then in default under the Agreement (beyond any applicable notice and cure period), Sponsor shall retain the Deposit and any Custom Work Deposit, together with interest earned thereon, as and for liquidated damages. If applicable, Sponsor shall be entitled to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost.

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

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

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

(s) Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer (other than to Purchasers under the Plan) of ten (10) or more Units or twenty percent (20%) of the total number of Units in the Condominium, whichever is less, the principals of Sponsor will provide financially responsible entities

or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan, applicable Law or regulations.

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

(u) Construction of the Building is being financed by Construction Lender, which financing is secured by a Construction Loan. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR. Under the terms of applicable Law, Sponsor may not declare the Plan effective until Agreements are signed by bona fide purchasers for fifteen percent (15%) of the Units offered under the Plan. Under the terms of the By-Laws, and as required under the terms of any Construction Loan, in the event of a default under such Construction Loan, the Construction Lender will be entitled to designate, remove or replace the members of the Boards which the Sponsor designated. Under the terms of the Construction Loan, Sponsor has agreed that it will not (or allow the members on the Condominium Board appointed by Sponsor) to vote or give consent to (i) take or omit to take any action to modify, change, supplement, alter, amend or terminate any provision of the Condominium Documents (as such term is defined in the Construction Loan) which is for the express benefit of the Construction Lender, (ii) waive or release any of Sponsor's rights under the Condominium Documents, (iii) vote, give consent or waive any right of Sponsor if the result of such vote or consent or waiver would be to impair the rights of the Construction Lender or the lien of the Construction Loan, (iv) approve (x) any borrowing of money on behalf of the Condominium which would result in the creation of any lien on any portion of the Units, (y) the termination of professional management and the assumption of self-management of the Condominium by the Board, or (z) cause the Condominium to fail to maintain, or diminish in any material respect, the insurance policies required to be maintained pursuant to the applicable Condominium Documents.

(v) Sponsor currently intends to sell the Residential Units under the terms of the Plan. However, under the terms of this Plan, Sponsor and the owners of the Commercial Unit and the Unsold Residential Units have reserved the unconditional right to rent or lease any Commercial Unit or the Unsold Residential Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Residential Units for sale at any time, in Sponsor's sole discretion or to use or offer the Commercial Unit and the Unsold Residential Units for any lawful purpose.

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

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

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

C. The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Residential Unit Owners under their respective Agreements or to include any financial limitation on Sponsor's liability for failure to perform its obligations under the Plan. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures to be provided or performed by Sponsor or located at the Property other than as set forth in the Plan. Notwithstanding anything to the contrary set forth herein, nothing contained in the Plan shall be construed as to render Sponsor liable for incidental, special or consequential damages (whether based upon negligence, breach of contract, breach of warranty or otherwise) it being intended that Sponsor's sole obligation shall be to perform its obligations as expressly provided in the Plan.

D. Obligations of Sponsor hereunder with respect to the Residential Section shall be enforceable by the Residential Board on behalf of Residential Unit Owners, obligations with respect to the Commercial Common Elements shall be enforceable by the Commercial Board and obligations with respect to the General Common Elements shall be enforceable by the Condominium Board on behalf of all Unit Owners.

E. Except with respect to obligations imposed by applicable statute, regulation, or this Plan, and to the extent permitted by Law, Sponsor will have no liability to any Purchaser, subsequent purchaser of a Unit, Unit Owner, the Residential Board or Condominium Board with respect to its obligations under the Plan (other than for direct, non-consequential damages, including property damage, personal injury or wrongful death, arising as a result of the negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in the Plan) in excess of the net proceeds paid to Sponsor from the sale of all Unsold Residential Units after payment of, or reasonable reserve for, any liabilities of Sponsor arising out of the consummation of the transactions contemplated in the Plan.

F. Except as set forth above or as required by Law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of

Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective Residential Unit deeds. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to Purchasers, if any.

Leasing and Use of Unsold Residential Units

A. Sponsor and the owner of the Commercial Unit and the Unsold Residential Units have reserved the unconditional right to rent or lease any Commercial Unit or Unsold Residential Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Residential Units for sale at any time, in Sponsor's sole discretion, or to use or offer the Commercial Unit and the Unsold Residential Units for any lawful purpose. Certain Residential Units may be occupied under short-term leases having a term in excess of thirty (30) days. Accordingly, residents of the Condominium may be comprised of both Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant portion of Residential Unit Owners will not be residents of the Building and that a significant portion of occupants in the Building may not be Residential Unit Owners. As a consequence of the foregoing, a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more Units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

B. There is no limit on the number of Purchasers who may purchase for investment rather than personal occupancy. Accordingly, there may always be a substantial percentage of owners who are non-residents. The By-Laws do not include a provision that after the Initial Control Period, a majority of the Residential Board and/or Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. **PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE RESIDENTIAL BOARD AND/OR CONDOMINIUM BOARD UNDER THE TERMS OF THIS PLAN**. In addition, non-resident owners, including Sponsor, have different economic interests in their respective Residential Units and, therefore, do not share the same economic interests as Residential Unit Owners in the maintenance and care of the Building's facilities and amenities. As a result, owner-occupants and non-resident Residential Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

C. Sponsor reserve the right, without prior notice or amendment to the Plan, to use Common Elements and Unsold Residential Units on any floor of the Building as sales and rental offices and model apartments for the Building and any other building in which Sponsor or principals of Sponsor have an interest. In the event Sponsor thereafter elects to sell any such Unsold Residential Units, Sponsor may require the purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the purchase price for such

Residential Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment (or any Common Elements appurtenant thereto) or any advertisement therefor, imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit.

CONTROL BY SPONSOR

A. There is no limit on the length of time that Sponsor may control the Residential Board or the Condominium Board. During the Initial Control Period, the Sponsor has the right to appoint a majority of the members of the Residential Board and the Condominium Board (and therefore control such Boards). After the Initial Control Period, Sponsor may control the Residential Board during the Sponsor Control Period if Sponsor's nominees receive a majority of votes cast at any election of the Residential Board (whether from Sponsor or other Unit Owners). During the Initial Control Period and the Sponsor Control Period, any member of the Residential Board who is designated by Sponsor shall automatically be designated as one of the Residential Board members that is appointed to and serves on the Condominium Board. Therefore, during the Initial Control Period and Sponsor Control Period, Sponsor will also control the Condominium Board.

B. Sponsor may be able to elect members of the Residential Board as a result of its ownership of or interest in Unsold Residential Units. Sponsor shall retain voting control of the Residential Board if Sponsor is able to cast sufficient votes at such meeting to establish such control. Sponsor reserves the right to relinquish and regain voting control of the Residential Board and the Condominium Board at any time. During the period that Sponsor controls the Condominium Board or the Residential Board, as the case may be, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Residential Common Charges or Common Charges, as the case may be, to be paid by all Residential Unit Owners or Unit Owners, as the case may be.

C. Prior to the First Annual Meeting of the Residential Board, the Residential Board shall initially consist of two (2) representatives whom shall be designated by Sponsor and who shall serve on the initial Condominium Board.

D. The Residential Board will call for its First Annual Meeting no later than one (1) year after the First Closing. The First Annual Meeting shall be held not less than ten (10) days nor more than forty (40) days after the sending of the notice of the meeting.

E. Commencing with the First Annual Meeting of the Residential Board, the Residential Board shall consist of five (5) persons. The five (5) members of the Residential Board shall also serve as members of the Condominium Board.

F. Prior to the First Annual Meeting of the Commercial Unit Owner, the Commercial Board shall initially consist of one (1) representative who shall be designated by Sponsor and who shall serve on the initial Condominium Board. The Commercial Board will call its First Annual Meeting of the Commercial Board no later than one (1) year after the First Closing. The First Annual Meeting shall be held not less than ten (10) days nor more than forty (40) days after the sending of the notice of the meeting. Following the First Annual Meeting of Commercial Unit Owners, the Commercial Board will consist of two (2) persons, both of whom shall serve as representatives to the Condominium Board.

G. Following the First Annual Meeting of the Residential Unit Owners and the First Annual Meeting of the Commercial Unit Owner, the Condominium Board shall consist of seven

(7) persons: five (5) members from the Residential Board and two (2) members from the Commercial Board. The number of Residential Board members and the number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws. Notwithstanding anything to the contrary set forth above, no Residential Unit Owner may be elected to serve on the Residential Board or Condominium Board if any Board has perfected a lien against such Residential Unit Owner's Unit which lien has not been satisfied at the time of the election. In no event shall a Commercial Board member replace a Residential Board member on the Condominium Board and vice versa.

H. Notwithstanding the foregoing, following the First Annual Meeting of the Commercial Unit Owner, if there is only one Commercial Unit Owner or all of the Commercial Unit Owners elect to be treated as one Commercial Unit Owner, the Commercial Board representing the Commercial Unit Owner will comprise, at the election of the Commercial Unit Owner, one (1) member, which member will also serve on the Condominium Board. In the event the Commercial Board is at any time composed of fewer members than the number of members that the Commercial Unit Owner is entitled have on the Condominium Board, the then existing members of the Commercial Board (or the Commercial Unit Owner authorized to act in the stead of the Commercial Board in accordance with the By-Laws) will designate such additional individuals who will serve as the Commercial Unit Owner's representatives on the Condominium Board as provided above.

I. In addition to the foregoing, (a) for so long as Sponsor owns less than 50% of the Residential Units, but more than 15% of the Unsold Residential Units, Sponsor shall have the right to designate at least two (2) members of the Residential Board who shall sit on the Condominium Board and (b) for so long as Sponsor owns at least two (2) of the Unsold Residential Units, but less than 15% of the Unsold Residential Units, Sponsor shall have the right to designate at least one (1) member of the Residential Board who shall also sit on the Condominium Board.

J. Within ten (10) days after the termination of the Initial Control Period, one of the Sponsor designated members of the Residential Board shall resign in which event a Residential Unit Owner meeting will be held to elect a new board member unrelated to the Sponsor within thirty (30) days after the expiration of the Initial Control Period. Nothing contained herein shall be deemed to limit the right of Sponsor to cast its votes for individuals nominated to the Condominium Board or the Residential Board who are not nominated or designated by Sponsor, which individuals, if elected, shall not be deemed Sponsor nominees or designees and shall not be deemed to cause Sponsor to control either the Condominium Board or the Residential Board after the Initial Control Period.

K. Sponsor and/or the owner of any Unsold Residential Units may exercise veto power over some actions of the Condominium Board and the Residential Board provided however, that Sponsor and any Unsold Unit Owner may not exercise veto power over expenses described in Schedule B. Until Sponsor and/or the owner of any Unsold Residential Units has conveyed title to all Residential Units, but in no event later than the later to occur of (i) five (5) years after the First Closing or (ii) the date on which the Unsold Residential Units constitutes less than twenty-five percent (25%) of the Common Interest, the Condominium Board or the Residential Board may not take any of the following actions without prior written consent of

Sponsor or the Unsold Unit Owner: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any General Common Charges, or Residential Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees described to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those described in the Plan except as is required to reflect normal annual increases in services, or (e) borrow money on behalf of the Condominium, or the Residential Section, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board or the Residential Board to comply with Laws, rules or regulations of any governmental authority having jurisdiction over the Condominium to remedy any notice of violation or to remedy any work order by an insurer.

L. Except as otherwise set forth herein, during the Initial Control Period, Sponsor and/or the owner of any Unsold Residential Units may not exercise veto power over expenses described in the Section entitled Schedule B or over expenses required (i) to comply with applicable Laws; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence but such veto power shall not extend to any period that is the sooner of five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty-five percent (25%) of the Common Interest.

M. Notwithstanding the foregoing, for as long as Sponsor has the voting power to elect all members of both the Residential Board and the Commercial Board, the Residential Board, at the election of Sponsor, shall have five (5) members, the Commercial Board shall have two (2) members and the Condominium Board shall have seven (7) members. For so long as Sponsor owns at least two (2) of the Unsold Residential Units the number of members of the Residential Board may not be increased without the consent of Sponsor.

BOARDS OF MANAGERS

A. Generally the affairs of the Condominium shall be governed by the Condominium Board, the affairs of the Residential Section will be governed by the Residential Board and the affairs of the Commercial Section will be governed by the Commercial Board. Prior to the First Annual Meeting, the Residential Board shall initially consist of two (2) representatives whom shall be designated by Sponsor and who shall serve on the initial Condominium Board. Prior to the First Annual Meeting of Commercial Unit Owners, the Commercial Board shall initially consist of one (1) representative who shall be designated by Sponsor and who shall serve on the initial Condominium Board.

B. On or before the date which is one (1) year after the First Closing, the Residential Board will call for the First Annual Meeting of Residential Unit Owners, such meeting to be held not less than ten (10) days nor more than forty (40) days after such date. At the First Annual Meeting, the incumbent Residential Board shall resign and the Residential Unit Owners shall elect a new Residential Board consisting of five (5) members (subject to Sponsor's rights as more particularly described in the Section of the Plan entitled "Control by Sponsor"). Thereafter, at each annual meeting, members of the Residential Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified. The five (5) members of the Residential Board shall also serve on the Condominium Board. Any member of the Residential Board who is designated by Sponsor shall automatically be designated as one of the Residential Board members that is appointed to and serves on the Condominium Board. The First Annual Meeting of the Commercial Unit Owners shall also be called by the Commercial Board for the same date as the First Annual Meeting for the Residential Unit Owners. From and after the First Annual Meeting of the Commercial Unit Owners, the Commercial Board shall consist of two (2) members. Thereafter, the Condominium Board shall consist of seven (7) persons: the five (5) members of the Residential Board and the two (2) members of the Commercial Board. At each subsequent annual meeting of the Commercial Unit Owners, new members of the Commercial Board and new representatives to the Condominium Board shall be elected. Notwithstanding anything to the contrary set forth above, to the extent there is only one owner of the Commercial Unit, such Commercial Unit Owner shall be deemed to have all of the powers of the Commercial Board in connection with the operation of the Commercial Section. The Condominium Board shall meet at least annually. Notwithstanding the foregoing if there is only one Commercial Unit Owner or all of the Commercial Unit Owners elect to be treated as one Commercial Unit Owner, the Commercial Board representing the Commercial Unit Owner will comprise, at the election of the Commercial Unit Owner, one (1) member, which member will also serve on the Condominium Board. In the event the Commercial Board is at any time composed of fewer members than the number of members that the Commercial Unit Owner is entitled have on the Condominium Board, the then existing members of the Commercial Board (or the Commercial Unit Owner authorized to act in the stead of the Commercial Board in accordance with the By-Laws) will designate such additional individuals who will serve as the Commercial Unit Owner's representatives on the Condominium Board as provided above.

C. Except for Board members designated by Sponsor, all members of the Residential Board must be either Residential Unit Owners or certain parties (e.g. directors, shareholders of Residential Unit Owners) as described in the By-Laws. No member of the Residential Board

shall continue to serve on the Residential Board if, during such Residential Unit Owner's term of office, said member shall cease to be a Residential Unit Owner or an interested party. All Board members shall serve without compensation.

D. Except for Board members designated by Sponsor, the Boards shall collectively have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. Generally, all determinations which affect only the Residential Section and do not adversely affect the Commercial Section, or the use of the Commercial Unit for its permitted purposes, shall be made by the Residential Board. Similarly, all determinations which affect only the Commercial Section and do not adversely affect the Residential Section or the use of Residential Units for their permitted purposes, shall be made by the Commercial Board. Generally, all other determinations with respect to the administration of the affairs of the Condominium including those which (i) relate to the Residential Section and do not adversely affect the Commercial Section, and vice versa, or (ii) relate to or affect the General Common Elements, shall be made by the Condominium Board.

E. As more fully set forth in the By-Laws, all determinations required to be made by the Residential Board, the Commercial Board or the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present. Any dispute between the Residential Board , the Commercial Board and the Condominium Board as to which Board or entity shall be entitled to make any determination shall be settled by arbitration in the manner provided in the By-Laws.

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

G. In exercising their respective powers and performing their respective duties under the Declaration and the By Laws, each Board shall act in good faith as, and shall be, the agent of the Unit Owners such Board represents, subject to and in accordance with the provisions of the Declaration and the By Laws

H. Annual meetings of Residential Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Residential Unit Owners shall elect the five (5) member Residential Board, subject to any rights of Sponsor to designate Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Residential Board shall mail a notice of each annual or special meeting of the Residential Section to all Residential Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than thirty (30%) percent of the Common Interests attributable to all Residential Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Residential Unit Owners. Except as otherwise provided in the By-Laws or Declaration, if any joint meeting between Residential Unit Owners and the Commercial Unit

Owner is held, the presence in person or by proxy of more than fifty (50%) percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of votes cast at any such meeting at which a quorum is present shall be binding on all Unit Owners.

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

J. The principal officers of the Residential Board shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Residential Board. The principal officers of the Condominium Board shall be a President who shall be the same person serving as President of the Residential Board, a Vice President and Treasurer who shall be the same person serving as President of the Commercial Board and a Secretary who shall be the same person serving as Secretary of the Residential Board. The initial members of the Condominium Board shall be Zygmunt Wilf, Mark Wilf and Leonard Wilf, who shall serve as President, Vice President and Treasurer and Secretary of the Condominium Board respectively. Each of these individuals is a principal of or is affiliated with Sponsor or its principals. The initial members of the Commercial Board shall be Orin Wilf, who shall serve as President and Treasurer, and Jonathan Wilf, who shall serve as Vice President and Secretary.

K. The Condominium Board, the Residential Board and the Commercial Board may appoint additional officers. Except as otherwise provided by the Board for which such officer serves, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of a Board are to be executed by any officer thereof or by such other person or persons as may be designated by the applicable Board. However, by resolution of such Board, any expenditure in excess of a specified amount by such Board will be countersigned by two (2) members of the said Board, one of whom is also a member of the Residential Board and the other having been designated as a member of the Condominium Board by the Commercial Board.

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

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

N. A member of the Residential Board designated or elected by the Residential Unit Owners may be removed with or without cause by an affirmative vote of a Majority of Residential Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Residential Unit Owners; provided, however, that Residential Board members

designated by Sponsor may only be removed with cause and replaced by another Sponsor designee. No member of the Residential Board shall continue to serve on the Residential Board if, during such Residential Unit Owner's term of office, said member shall cease to be a Residential Unit Owner or an interested party as described in Section 2.1.3 of the By-Laws; provided, however, that this provision respecting Residential Unit ownership and Residential Board membership shall not apply to members of the Residential Board designated by Sponsor.

O. Each Board shall obtain or ensure maintenance of fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds or insurance shall constitute General Common Expenses, Commercial Common Expenses, or Residential Common Expenses, as the case may be. The amount and cost of the bonds has been provided for in Schedule B. The By-Laws provide that to the extent permitted by applicable Law, no member of any Board shall have any personal liability with respect to any contract, act or omission of any Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, the Commercial Section, or the Residential Section or any Limited Common Element (except in their capacities as Unit Owners). Board members shall have no liability to Unit Owners except that a Board member shall be liable for such Board member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member and each Residential or Commercial Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

P. In exercising their respective powers and performing their respective duties under the Declaration and the By-Laws, each Board shall act in good faith as, and shall be, the agent of the Unit Owners such Board represents, subject to and in accordance with the provisions of the Declaration and the By-Laws.

Q. Under the terms of the By-Laws, if required under the terms of any Construction Loan, in the event of a default under such Construction Loan, the Construction Lender will be entitled to designate, remove or replace the members of the Boards which the Unit Owners whose Units are subject to the lien of said Construction Loan.

R. Generally, subject to certain exceptions concerning, among other things, Sponsor, the Commercial Section, and Unsold Residential Units, and provided that required consents of the Residential Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations affecting (a) only the Residential Section or the Residential Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least sixty-seven percent (67%) in number and in Common Interest of all Residential Unit Owners, (b) only the Commercial Section or the Commercial Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least sixty-seven percent (67%) in number and in Common Interest of the Commercial Unit Owners and (c) the General Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least sixty-seven percent (67%) in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

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

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

U. As more particularly set forth in the Special Risk Section and the Section of the Plan entitled "Rights and Obligations of Sponsor", it is possible that a significant portion of Residential Unit Owners will not be residents of the Building and that a significant portion of occupants in the Building may not be Residential Unit Owners. The By-Laws do not include a provision that after the Initial Control Period, a majority of the Residential Board and/or Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. Purchasers for their own occupancy may never gain control of the Residential Board and/or the Condominium Board under the terms of this Plan. In addition, non-resident owners, including Sponsor, have different economic interests in their respective Residential Units and, therefore, do not share the same economic interests as Residential Unit Owners in the maintenance and care of the Building's facilities and amenities. As a result, owner-occupants and non-resident Residential Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARDS OF MANAGERS

Sales and Leases of Residential Units

A. Subject to certain exceptions set forth in Article 8 of the By-Laws, any sale or lease of a Residential Unit together with its Common Interest by a Residential Unit Owner, will be subject to a right of first refusal by (x) Sponsor (or its designee (corporate or otherwise)) until the later of (a) the date on which it has sold all Unsold Units; or (b) the date which is ten years from the date of the First Closing; and (y) the Residential Board, either by its designee (corporate or otherwise) or on behalf of the Residential Unit Owners on the same terms and conditions as agreed to by the owner of such Residential Unit and the proposed transferee. The parties respective right of first refusal shall be exercised as more particularly set forth in Article 8 of the By-Laws, which is set forth as an Exhibit in Part II of the Plan. The Residential Board shall not exercise its right of first refusal to purchase or lease any Residential Unit without the prior approval of a Majority of all Residential Unit Owners. However, no such consent shall be required in the event a designee of the Residential Board purchases or leases a Residential Unit. The rights of Sponsor shall have priority to the extent both Sponsor (or its designee), and the Residential Board, either by designee or on behalf of all Residential Unit Owners, seek to purchase or lease such Residential Unit. If either the Residential Board, on behalf of Residential Unit Owners, or the Sponsor (or Sponsor's designee) elect to exercise their respective right of first refusal to purchase a Residential Unit certain taxes and other monies, which may be the responsibility of the buyer, will be the responsibility of the seller. Notwithstanding anything to the contrary contained hereinabove, until the later of: (a) the date on which Sponsor has sold all Unsold Units; or (b) the date which is ten years from the date of the First Closing (the "Sponsor ROFR Period"), the Residential Board shall not have the right to appoint a designee to purchase or lease a Residential Unit without first obtaining the written approval of the Sponsor. Other than exercising their respective right of first refusal, neither Sponsor nor the Residential Board have a right to approve or disapprove prospective purchasers and the By-Laws contain no requirement that such Purchasers be owner-occupants of the Condominium. Notwithstanding anything to the contrary contained hereinabove, Sponsor and the Commercial Unit Owner may sell or lease all or any portion of their respective Units, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. (For a more complete discussion of the foregoing, see Article 8 of the By-Laws set forth as an Exhibit in Part II of the Plan).

B. In the event that a Residential Unit is to be leased by Sponsor or the Residential Board (each an "Inside Offeror"), the Residential Unit Owner shall execute and deliver to the Inside Offeror a lease covering such Residential Unit by and between the Residential Unit Owner, as landlord, and the Inside Offeror, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Inside Offeror may enter into a sublease of the premises demised thereunder without consent of the landlord. Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the

Residential Board or such other form approved in writing by the Residential Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

a. such lease may not be amended, modified, or extended without the prior written consent of the Residential Board in each instance;

b. the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Residential Board in each instance; and

c. the Residential Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (x) a default by the tenant in the performance of its obligations under such lease or (y) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Purchasers should refer to their own attorneys for guidance regarding their rights and obligations as a landlord under a lease for a Residential Unit.

C. Any purported sale or lease of a Residential Unit in violation of Article 8 of the By-Laws shall be voidable at the election of the Residential Board or the Sponsor, as the case may be.

D. In the event the Residential Board exercises its right of first refusal to purchase a Residential Unit together with its Common Interest, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium or the Residential Board may levy a Special Assessment against each Residential Unit Owner in accordance with the terms of these By-Laws and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Common Interests.

E. With respect to the right of first refusal, neither the Residential Board nor the Sponsor may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

F. The restrictions upon the sale and lease of Residential Units provided in Article 8 of the By-Laws shall not apply to Sponsor with respect to any Unsold Units or to Residential Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Residential Board.

G. In addition, the right of first refusal granted to the Sponsor and the Residential Board shall not apply with respect to any sale, lease or conveyance of a Residential Unit, together with its Common Interests, to (i) any immediate adult Family Member of a Residential Unit Owner, or to a trust for the benefit of any of them (in which case the Residential Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Residential Board deems advisable), provided, however, that if the succeeding

Residential Unit Owner is an infant or a person judicially declared incompetent of managing affairs, then such Residential Unit shall be held by the personal representative of such infant or incompetent, or to an Affiliate of the Residential Unit Owner; (ii) Sponsor or the Residential Board; (iii) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure; or (iv) any Permitted Mortgagee or its nominee, who has acquired title to any Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction or (v) any conveyance by gift, devised by will, or passes by intestacy; provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, all of the terms and conditions of Article 8 of the By-Laws.

H. A Residential Unit Owner (other than a purchaser purchasing for such purchaser's own or their immediate Family Member's occupancy) is prohibited from advertising, listing or selling its Residential Unit, together with its Common Interest for twelve (12) months after acquiring such Residential Unit from Sponsor. Any conveyance in violation of this paragraph H shall be voidable by Sponsor.

I. No Unit Owner shall execute any deed or other instrument conveying title to the Unit without including therein its Common Interest, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the 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 Common Interest of all Units. Nothing contained herein, however, shall prohibit the lease of any Unit without the simultaneous lease of its Common Interests.

J. No Unit Owner shall be permitted to convey or lease the Unit unless the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing.

K. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

L. The By-Laws provide that the Residential Board has the right, but not the obligation to require that before any Residential Unit is conveyed to a government or governmental mission, or to a department, agency or consulate of a government, or to any other person or party who or which may be entitled under applicable Laws, conventions or treaties

(including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) (each, a "Government Entity") to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America or elsewhere, may occur or be valid or effective, the Residential Board may require that certain additional conditions be satisfied. Specifically, the Residential Board may require that the potential grantee enter into an agreement with the Residential Board, on terms acceptable to the Residential Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably waives, to the full extent permitted by Law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee, and with respect to any and all other intended occupants of the Residential Unit, any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (and diplomatic and consular immunity, if applicable) from any legal or equitable proceedings in the United States of America or elsewhere, brought by the Residential Board or any other party claiming with respect to the Residential Unit (including without limitation, immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of that party's property from attachment prior to entry of judgment and from attachment in aid of execution, and from execution itself, upon a judgment), (iii) agrees that any legal action or proceeding with respect to the Residential Unit may be brought in the courts of the State of New York, and in the City of New York, or in the United States District Court for the Southern District of New York, as the Residential Board shall elect, (iv) obtains the consent for such waivers and other actions required by this paragraph from any United States or foreign government, sovereign or otherwise, and (v) permits execution and enforcement of any judgment obtained by the Residential Board. The foregoing provisions do not apply to sales of Unsold Units. In addition, all purchasers of a Residential Unit in the Building who are a Government Entity may be required, at the sole discretion of the Residential Board, to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under this Declaration and the By-Laws (collectively, the "Security"). In the event of any default in the payment of Common Charges and/or Special Assessments by any Governmental Entity (after notice and expiration of the applicable cure period as provided in the By-Laws, if any) with respect to the payment of Common Charges and/or Special Assessments which are the obligation of the Governmental Entity as a Residential Unit Owner to observe, perform or keep under the terms of the Declaration and By-Laws, the Residential Board may enforce the provisions of these By-Laws and use, apply or retain the whole or any part of the Security being held by the Residential Board to the extent required for the payment of any Common Charges, Special Assessments or any other payments as to which such Governmental Entity shall then be in default (after notice and expiration of the applicable cure period, if any) or for any monies which the Residential Board may expend or may be required to expend by reason of the Governmental Entity's default (after notice and expiration of the applicable cure period, if any). If the whole or any part thereof shall be so used, applied or retained by the Residential Board as aforesaid, then such Governmental Entity shall, upon written demand from the Residential Board, immediately deposit with the Residential Board an amount in cash equal to the amount so used, applied or retained, so that the Residential Board shall have the entire Security on hand at all times during the Governmental Entity's ownership of a Residential Unit in the Building. The failure by the Residential Unit Owner after due demand to deposit and maintain the full amount of the security, shall constitute

a separate default under these By-Laws, which shall entitle the Residential Board to all of the rights and remedies available hereunder. In the event that a Governmental Entity shall fully and faithfully comply with all of the terms, provisions, covenants, agreements and conditions of the By-Laws, the Security shall be returned to such Governmental Entity within thirty (30) days after the transfer or sale of such Governmental Entity's Residential Unit to a non-Governmental Entity.

Use of Residential Units

A. Residential Units shall be used only as a residence (except as described below). The Residential Board, may in its sole discretion, permit a Residential Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing Certificate of Occupancy and complies with all applicable governmental regulations. Notwithstanding the foregoing, Sponsor and/or the owner of any Unsold Residential Unit may, without the permission of the Residential Board (a) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, including, without limitation, use as a long or short term rental, transient hotel, timeshare or other use, provided such use is permitted by Law, does not violate the then existing certificate of occupancy for such Residential Unit (subject to Sponsor's right to amend the certificate of occupancy to conform to use as provided in the By-Laws), and the user of such Unsold Residential Unit complies with all applicable governmental regulations with respect to such use, and (b) retain ownership of one or more Unsold Residential Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Residential Units in the Condominium or in buildings in the vicinity in which principals of Sponsor may have an interest.

B. There are no limitations on who may purchase Units. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, or by any other entity legally entitled to take title to property. The sale of a Residential Unit to a corporation, partnership, limited partnership, trust or any other entity legally entitled to own real property (including any entity or person entitled to diplomatic or sovereign immunity) may require the delivery to the Residential Board or its managing agent at Closing, any and all documents as are reasonably requested by the Residential Board, including without limitation, a personal guaranty, a subjection to jurisdiction, an occupancy agreement, an escrow agreement and an amount equal to the current common charge for such Residential Unit for a period of two (2) years, to be held in escrow by the Residential Board or its Managing Agent, as security for the faithful observance by such Residential Unit Owner of the terms, provisions and conditions contained in the By-Laws.

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

D. The current zoning Law permits a person who resides in a Residential Unit to use up to 25% of the floor area of such Unit Owner's Residential Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four (4) persons. Sponsor makes no representation as to whether a particular occupation or proposed use qualifies as a permitted use and Purchasers are advised to consult their own counsel with respect to such matters. No transient tenant may be accommodated in a Unit, except in Unsold Units, as permitted by Law. Such home occupation use may only be engaged in with the consent of the Residential Board or by Sponsor, as more particularly provided in the By-Laws. (See a copy of the By-Laws set forth as an Exhibit in Part II of the Plan.)

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

F. No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Residential Section or any portion thereof.

G. All valid Laws of governmental bodies having jurisdiction thereof relating to any portion of the Property shall be complied with at the sole expense of the respective Unit Owners or Boards, whoever or whichever shall have the obligation to Maintain or repair such portion of the Property.

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

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

J. The maintenance, keeping, boarding and/or raising of pot belly pigs, rodents (i.e., mice, gerbils, hamsters, guinea pigs, rabbits, ferrets etc.), livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any Residential Unit or upon the Common Elements, except that, subject to this provision and the Rules and Regulations, the keeping of orderly domestic pets (which includes only dogs, cats or caged birds) and aquarium fish is permitted; provided, however, that (i) any orderly domestic pets (other than those contained at all times in aquariums or cages which shall be limited to a reasonable number determined by the Residential Board) shall not exceed two (2) per Residential Unit or any breed deemed inappropriate or dangerous by the Residential Board without the approval of the Residential Board; (ii) such orderly domestic pets or fish are not kept or maintained for commercial purposes or for breeding; and (iii) any such orderly domestic pets or fish causing or creating a nuisance or

unreasonable disturbance may be permanently removed from the Condominium upon ten (10) days written notice from the Board. A photograph of each orderly domestic pet, with the name and Residential Unit number of the pet owner, shall be delivered to the Board as a condition precedent to the entry of such pet into the Condominium. All orderly domestic pets shall be licensed and inoculated as required by Law. The Board may establish reasonable fees for registration of orderly domestic pets. No orderly domestic pets shall be permitted in any part of the Condominium (other than within the Residential Unit of the owner thereof) unless carried or on a leash or in a carrying case. Leashes may not exceed a length which will permit close control of the pet. Owners of pets must immediately and adequately clean up their pet's droppings in all areas of the Property including, without limitation, the sidewalks, exterior landscapes and all other areas. The Residential Board or the Condominium Board may establish such other rules and regulations concerning pets as it deems necessary or appropriate, including, without limitation, the right to prohibit pets. In the event of the adoption of a rule prohibiting pets (other than pets needed by persons with disabilities), any Residential Unit Owner who maintained an orderly domestic pet at the time of the adoption of such rule shall have the right to retain such pet (unless such pet is otherwise deemed to constitute a nuisance or be in violation of the these provisions or the Rules and Regulations), but shall not have the right to replace such pet or subsequently acquire additional pets. Any Residential Unit Owner keeping a pet or animal in violation of these provisions or which causes any damage to or requires cleanup of any Unit or the Common Elements or which is offensive or creates any nuisance, danger or unreasonable disturbance or noise, shall be personally liable for the cost and expense of such repair, clean up or elimination of such disturbance or nuisance. Each Residential Unit Owner who keeps any type of permitted pet in such Residential Unit Owner's Residential Unit will be required to abide by any and all Rules and Regulations of the Residential Board or the Condominium Board adopted with respect thereto and may be required to enter into an agreement with the Condominium Board or the Residential Board governing the maintenance of such pets. Any Residential Unit Owner who keeps or maintains any pet upon any portion of the Condominium shall indemnify and hold each Board, the Management Agent, and other Unit Owners and the Sponsor free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium.

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

Purchase, Assignment and Lease of Studio Units

A. The Studio Units are offered for sale only in conjunction with the purchase and continuous ownership of another Residential Unit which is not a studio (a "Non-Studio

Residential Unit"). Accordingly, a Purchase Agreement for a Studio Unit may only be entered into by a Purchaser who owns or is simultaneously acquiring a Non-Studio Residential Unit. In addition, a Studio Unit may not be assigned by its owner except to another party who shall either be the then owner of a Non-Studio Residential Unit or a person simultaneously acquiring a Non-Studio Residential Unit. Residential Unit Owners may only lease a Studio Unit to other Residential Unit Owners in the Building, the Condominium Board or Sponsor, as the case may be. Any lease or assignment in contravention of the foregoing shall be voidable by the Residential Board, in its sole discretion. Further, in the case of a Purchaser simultaneously entering into Purchase Agreements for both a Studio Unit and a Non-Studio Residential Unit, it should be noted that a default under either Purchase Agreement shall constitute a default under both Purchase Agreements, thereby entitling Sponsor to its remedies pursuant to both Agreements.

B. As more particularly set forth in the By-Laws, if the Owner of a Studio Unit submits an application to the Residential Board pursuant to Section 8.1 of the By-Laws for a waiver of the right of first refusal in connection with the lease or assignment of such Studio Unit to a lessee or purchaser who is not then an existing lessee or Owner of a Non-Studio Residential Unit in the Building, such application shall be deemed incomplete unless accompanied by a fully executed lease or contract of sale for the Non-Studio Residential Unit owned by such applicant whereby (x) the purchaser or lessee is the purchaser or lessee of the Studio Unit, and (y) such lease or contract shall have a commencement date, or closing date, as the case may be, which shall be simultaneous with the lease commencement, or closing, as the case may be, of the Studio Unit in question.

C. If the Owner of a Non-Studio Residential Unit who also owns a Studio Unit in the Building submits an application to the Residential Board pursuant to Section 8.1 of the By-Laws for a waiver of the right of first refusal in connection with the lease or assignment of such Non-Studio Residential Unit, such application shall be deemed incomplete unless accompanied by a fully executed lease or contract of sale for the Studio Unit owned by such applicant whereby (x) the purchaser or lessee is either (i) the purchaser or lessee of the Non-Studio Residential Unit in question or (ii) is an existing Owner of a Non-Studio Residential Unit in the Building, and (y) such lease or contract for the Studio Unit shall have a commencement date, or closing date, as the case may be, which shall be simultaneous with the lease commencement, or closing, as the case may be, of the Non-Studio Residential Unit in question.

D. Any lease or assignment in contravention of the foregoing shall be voidable by the Residential Board, in its sole discretion.

Mortgage of Units by Unit Owners

A. Each Residential Unit Owner may mortgage such Residential Unit Owner's Residential Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by such Residential Unit Owner. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, or such other form approved by the Residential Board, (b) the Residential Board is notified in writing of the making of such

mortgage and receives a conformed copy of the note and mortgage and (c) the Residential Unit Owner making such mortgage first satisfies all unpaid liens against such Residential Unit Owner's Residential Unit, other than Permitted Mortgages. The Commercial Unit Owners shall have the right to mortgage any Commercial Unit without any restriction or limitation.

B. In certain instances the consent of the Residential Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three (3) Residential Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor, (ii) a bank, trust company, insurance company, real estate investment or mortgage trust or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

Common Charges: Determination and Assessment

A. Residential Common Expenses, which are payable only by Residential Unit Owners and are included in their Residential Common Charges, are allocated among Residential Unit Owners in proportion to their respective Residential Common Interests. Residential Common Charges shall also be deemed to include any Special Assessment imposed by the Residential Board. In addition, the Residential Common Charges include the Residential Unit Owner's allocable portion of the General Common Expenses. The respective Common Interests of each Unit, as estimated by Sponsor, are based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. Residential Common Expenses include, among other things, all costs and expenses (including the payment of wages) in connection with the Maintenance of the Residential Common Elements and Residential Limited Common Elements. Residential Common Expenses may include amounts for certain other items as the Residential Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Residential Board of any Residential Unit. Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan during the Waiver Period, provided, however, that Sponsor shall be solely responsible for payment of all Waiver Period Expenses during the Waiver Period. If Sponsor so elects, the Waiver Period shall begin on the date of the First Closing. Sponsor may, in its sole and absolute discretion, upon thirty (30) days prior written notice to Purchasers, terminate the Waiver Period. If not sooner terminated by Sponsor, the Waiver Period shall terminate on the date on which the second year of condominium operation commences. Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. All expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B. Notwithstanding anything to the contrary set forth above, the Waiver Period Expenses do not include real estate taxes during any period during which a Residential Unit Owner may not be separately assessed, for which Residential Unit Owners will remain responsible for the payment thereof. In addition, each Purchaser shall be responsible for payment of its allocable share of the property insurance premium attributable to the Residential Unit during the Waiver Period, which expenses shall be separately assessed to each Purchaser based upon the Common Interest of such Unit, as more particularly set forth in Schedule A. Purchasers should further note that Sponsor anticipates that the services and amenities disclosed

in this Plan will be completed by not later than the Services Completion Date; however, Purchasers should note that during the First Year of Condominium Operation (including the Waiver Period) delivery of such services and amenities may be delayed due to delays in construction of the Building, Unavoidable Delays, and/or until title to fifty percent (50%) of the Units have been conveyed to Purchasers under the Plan. Notwithstanding, there will be at least one (1) doorman on duty at the Lobby of the Building eight (8) hours a day seven (7) days a week after the First Occupancy.

B. Commercial Common Expenses will be determined and borne solely by the Commercial Unit Owners. Commercial Common Expenses include, among other things, all costs and expenses in connection with the Maintenance of the Commercial Common Elements.

C. General Common Expenses which include, among other things, the costs and expenses (including the payment of wages) in connection with the Maintenance of the General Common Elements and certain other expenses common to all Unit Owners, such as premiums for insurance covering the Building, managing agent fees and legal and accounting fees will be determined by the Condominium Board. Generally, such expenses will be allocated to the Residential Board and the Commercial Board pro rata in accordance with their aggregate respective Common Interests. The Residential Board will then allocate its pro rata share of such expenses among the Residential Unit Owners in accordance with their respective Residential Common Interests. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law.

D. In the event that the annual Common Charges levied against Unit Owners during the First Year of Condominium Operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $250,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the First Year of Condominium Operation will be distributed by the Condominium Board to Sponsor and the Residential Unit Owner(s) in proportion to the amount of time Sponsor and each Residential Unit Owner owned such Residential Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Residential Units Owners or, if rebates are made, what the tax consequences of such rebates would be to Residential Unit Owners. In the event Sponsor concludes that the Common Expenses during the First Year of Condominium Operation are less than projected due to the fact that the Building is not fully operational or occupied, Sponsor may cause the Condominium Board or the Residential Board, as the case may be to adopt an interim budget reflecting the reduced Common Expenses which will reduce the Common Charges due from each Unit Owner and shall disclose the same in a duly filed amendment hereto. See the Attorney's Income Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Residential Units by individual Unit Owners.

E. At least annually (a) the Condominium Board will prepare a budget for General Common Expenses and allocate, as aforesaid, and assess General Common Charges to the Residential Board and the Commercial Board to meet such expenses and (b) the Residential Board will prepare a budget for Residential Common Expenses and allocate, as aforesaid, and assess among all Residential Unit Owners, Residential Common Charges to meet (i) Residential Common Expenses and (ii) the Residential Board's pro rata share of General Common Expenses.

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

Common Charges: Collection and Lien for Non-Payment

A. Pursuant to §339-z of the RPL and under the provisions of the By-Laws, (a) the Condominium Board, on behalf of all Unit Owners, will have a lien on all Units, for unpaid General Common Charges, together with interest thereon, assessed against such Unit and (b) the Residential Board, on behalf of all Residential Unit Owners, will have a lien on each Residential Unit for unpaid Residential Common Charges together with interest thereon, assessed against such Residential Unit and (c) the Commercial Board, on behalf of the Commercial Unit Owner, will have a lien on the Commercial Unit, for unpaid Commercial Common Charges, together with interest thereon, assessed against such Commercial Unit. All such liens, however, to the extent permitted by applicable Law, will be subordinate to the lien of (i) the Construction Loan, or any (ii) first Permitted Mortgage of record, (iii) liens for real estate taxes on the particular Unit and (iv) all sums unpaid on a subordinate mortgage of record held by the New York Job Development Authority, the New York State Urban Development Corporation, the Division of Housing and Community Renewal, the Housing Trust Fund Corporation, the New York City Housing Development Corporation, or in a city having a population of one million or more, the Department of Housing, Preservation and Development.

B. Pursuant to §339-aa of the RPL, any lien provided for in the immediately preceding paragraph for unpaid General Common Charges or Residential Common Charges or Commercial Common Charges, against a Unit will be effective from and after the filing in the office of the recording officer in which the declaration of condominium is filed a verified notice of lien stating the name (if any) and address of the property, the CRFN number of the declaration of condominium, the name of the record owner of the Unit, the Unit designation, the amount and purpose for which due, and the date when due; and shall continue in effect until all sums secured thereby with interest accrued thereon shall have been fully paid, or until expiration six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. §339-aa of the RPL and the By-Laws provide that such liens may be foreclosed by a suit brought in the name of the appropriate Board (acting on behalf of all Unit Owners or all Residential Unit Owners or the Commercial Unit Owner, as the case may be) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the appropriate Board to recover unpaid Common Charges without foreclosing such lien. In any action brought by a Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit

Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Residential Board, acting on behalf of all Residential Unit Owners, shall have the power to purchase any such Residential Unit, and the Commercial Board, acting on behalf of the Commercial Unit Owner shall have the power to purchaser the Commercial Unit, shall have the power to purchase any such Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit. Notwithstanding anything to the contrary contained herein, during the Initial Control Period and the Sponsor Control Period, the Sponsor shall cause the Residential Board or the Condominium Board, or the Commercial Board, as the case may be, to file a lien as provided for in §339-aa of the Real Property Law on Units owned by Sponsor in which Sponsor is more than thirty (30) days in arrears of Common Charges.

C. Pursuant to §339-x of the RPL and the terms of the By-Laws, no Unit Owner may be exempted from liability for such Unit Owner's Common Charges by waiving use of any of the Common Elements or by abandonment of such Unit Owner's Unit. Dissatisfaction with the quantity or quality of maintenance or services furnished to the Property or the degree to which the construction in the Building shall have been complete shall not be grounds for a Unit Owner withholding or failure to pay all or any portion of the Common Charges or any other assessments. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a permissible sale, transfer or other conveyance of such Unit. In addition, as more specifically set forth in the By-Laws, (a) a Residential Unit Owner may, by conveying such Residential Unit Owner's Residential Unit without consideration to the Residential Board and complying with certain conditions in connection therewith, exempt himself from Residential Common Charges thereafter accruing, and (b) the Commercial Unit Owners of any Commercial Unit may, by conveying the Commercial Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, be exempt from General Common Charges thereafter accruing.

D. In accordance with the terms of the By-Laws and §339-z of the RPL, on a resale of a Residential Unit, the Purchaser thereof will be liable for the payment of Residential Common Charges accrued and unpaid against such Residential Unit prior to such Residential Unit Owner's acquisition. Prior to the permitted sale, transfer or other conveyance of a Residential Unit, any seller or purchaser of a Residential Unit shall be entitled to an Estoppel Letter from the Residential Board. In the event of a foreclosure by either Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee (as defined in the Condominium Declaration) acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such

Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Residential Board will have the right to assess such unpaid balance as a Residential Common Charge among all Residential Unit Owners.

RPL §339-jj-Borrowing by Condominium

Pursuant to §339-jj of the RPL and the By-Laws, the Condominium Board, on behalf of the Unit Owners, is authorized to incur debt provided that such debt (a) is incurred no earlier than the fifth anniversary of the First Closing and (b) is approved by Unit Owners owning Units to which there is appurtenant a majority of the Common Interests. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Condominium Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

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

A. RPL §339-kk is applicable to all condominiums in the State of New York. RPL §339-kk is intended to provide additional financial protection for a Condominium association if a sponsor or other non-occupant unit owner of a Residential Unit fails to make monthly payments for Common Charges, assessments and late fees due in connection with such owner's Units.

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

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

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

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

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

C. 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.

D. RPL §339-kk does not address a number of issues. Accordingly, Sponsor makes no representation as to (i) RPL §339-kk's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant owner and secured by the unit, or whether RPL §339-kk's enactment or compliance therewith by a tenant constitutes a default by the unit owner under said loan, (ii) RPL §339-kk's effect on assignments of leases and rents given by a non-occupant owner to a mortgagee in connection with purchase-money financing or otherwise, (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Condominium Board (or such other applicable Board) after notice from the Condominium Board (or such other applicable Board) (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Condominium Board's (or such other applicable Board) 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.

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

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

Repairs to and Maintenance of Units and Common Elements

A. Generally, all painting, decorating, and routine Maintenance, (a) in or to any Unit (except for any Common Elements included therein), including the individual cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Unit Owners as a General Common Expense, (c) in or to the Residential Common Elements and the Residential Limited Common Elements will be made by the Residential Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense and (d) in or to the Commercial Common Elements will be made by the Commercial Board and the cost thereof will be charged to all Commercial Unit Owners as a Commercial Common Expense. Notwithstanding the foregoing, any repairs by Residential Unit Owners to the incremental heating and air conditioning units within each Residential Unit shall only be made by contractors or servicemen who have been previously approved by the Residential Board.

B. If a Commercial Limited Common Element benefits only certain Commercial Unit Owners, then the Commercial Section's costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Commercial Unit Owners who benefit from the Commercial Limited Common Element in the proportion that the Common Interest of each benefiting Commercial Unit Owner bears to the Common Interest of all benefiting Commercial Unit Owners. In addition, except as otherwise provided in the By-Laws, such Commercial Unit Owners shall be responsible, at their sole cost and expense, for the normal operation and Maintenance, including but not limited to the

cost of staff necessary for such operation and Maintenance of any such Commercial Limited Common Element.

C. All routine Maintenance of any Terrace shall be made by the Residential Unit Owner having access to same, at such Residential Unit Owner's own cost and expense, but any structural repairs and Maintenance to such Terrace (including any leaks which are not caused by the negligence or misconduct of the Residential Unit Owner having access to the same) will be made by the Residential Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense. Any Residential Unit Owner having access to a Terrace shall keep it free of snow, ice and accumulation of water. In accordance with the By-Laws, the Condominium Board and the Residential Board will have the right to require a Residential Unit Owner to obtain the consent of the Condominium Board and/or the Residential Board prior to installing plantings, surface coverings, furniture, equipment and installations on the Terraces and may require a Residential Unit Owner to remove same if the Condominium Board or the Residential Board determines, in their respective discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roof or adversely affect the appearance of the Building or that such removal is needed to facilitate access to the roofing system or other Common Elements or Unit pursuant to the Declaration and By-Laws. No Terrace may be enclosed without the express written consent of the Condominium Board and the Residential Board. The Condominium Board and the Residential Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

D. The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be colored or painted and the interior of such surfaces are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Residential Board at the sole cost and expense of the owner of such Residential Unit (unless such breakage is caused by the Residential Board, the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Residential Board, the Condominium Board or such Unit Owner). No replacement, modification or alteration may be made to or of the windows (other than replacement of the window panes) without the consent of the Condominium Board. All window treatments in a Residential Unit, when viewed from the outside of the window, must be white.

The exterior surface of all windows in the Residential Section, if so determined by the Residential Board shall be washed and cleaned at the direction of the Residential Board and the cost and expense thereof shall be a Residential Common Expense and be specially assessed against each Residential Unit Owner. The interior glass surfaces of all windows located in any Residential Unit and the exterior and the interior glass surfaces of all windows located in the Commercial Unit shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Boards of Managers" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan for further details.

E. Each Unit and all portions of the Common Elements shall be Maintained in first-class condition (and with respect to any roof, terrace or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or appropriate Board, whichever is responsible for the Maintenance thereof. In the event any Unit Owner fails to keep said Unit Owner's Unit in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such failure. (See the subsection entitled "Rights of Access").

F. A Residential Unit Owner shall not permit excessive noise or vibrations to emanate from the Unit. Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner that fails to so Maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

G. Public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or each Board shall be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or Board.

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

Alterations and Improvements of Units and Common Elements

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

B. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration or any addition, improvement or repair in or to a Residential Unit, the Residential Board shall have the right to approve the Residential Unit Owner's plans and specifications, the Residential Unit Owner's contractors and suppliers and require the 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, including, without limitation, the days and hours during which any work may be done. In addition, the Residential Board will have the right, as a condition to approving a Residential Unit Owner's request to renovate kitchens and bathrooms, to require such Residential Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Residential Unit or to

contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements.

C. No Unit Owner shall employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

D. No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration, improvement or repair to be made in a Residential Unit, unless approved and executed, if necessary, by the Residential Board or, if required, by the Condominium Board; provided, however, in the event the Permanent Certificate of Occupancy has not yet been issued for the Building, the Residential Board must execute and file all applications, permits or other documents required to be filed in connection with approved Alterations to the New York City Department of Buildings. The Residential Board (or the Condominium Board) will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved Alterations, provided that the Residential Board, the Condominium Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to Sponsor, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Boards to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Building (including the Units and Common Elements) as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law and, the appropriate Board, if requested by Sponsor is obligated to execute the aforesaid documentation. In addition, the Power of Attorney to be executed by each Residential Unit Owner upon acquisition of the Residential Unit further grants to Sponsor a power of attorney to execute such documentation.

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

F. Generally all Alterations in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Residential Board and the Commercial Board as a General Common Expense. Generally all Alterations in or to the Residential Common Elements will be made by the Residential Board and the cost and

expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense; and Alterations in or to the Commercial Common Elements will be made by the Commercial Board and the cost and expense thereof will be charged to all Commercial Unit Owners as a Commercial Common Expense.

G. The Commercial Unit Owners, without the consent of the Residential Board or the Condominium Board may make any alteration, addition, improvement or repair in or to any Commercial Unit or the Commercial Common Elements provided that the work is performed by the Commercial Unit Owners in compliance with Laws and in accordance with all conditions described in the Declaration.

H. Sponsor, without the consent of the Residential Board, the Commercial Board or the Condominium Board, may make any alteration, addition, improvement or repair in or to any Unsold Residential Unit or the Common Elements provided that the work is performed by Sponsor in compliance with Law and in accordance with all conditions described in the Declaration.

I. Sponsor and the Commercial Unit Owners may erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more Signs on the Property for the purpose of advertising the availability for sale or rental of any Unsold Residential Unit or Commercial Unit or the operation of any business of Sponsor, a tenant, occupant managing agent or operator of the Commercial Unit including, but not limited to, Signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

Rights of Access

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

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

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

Examination of Books and Records

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

Repair or Reconstruction after Fire or Other Casualty

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

B. If only the Commercial Section is destroyed or damaged by fire or other casualty and if the net insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the Commercial Unit Owners will bear the entire amount of the deficit, or shall receive all of the surplus, as the case may be.

C. If only the Residential Section is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Residential Unit Owners in proportion to their respective Common Interests.

D. If said damage or destruction by fire or other casualty affects the Commercial Section, the Residential Section and the General Common Elements, or any combination thereof, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Residential Section, Commercial Section and General Common Elements bears to the total cost of repairing all damage or destruction. However, the Commercial Board shall have the right to make all arrangements for the prompt repair and restoration of the Commercial Unit to the extent they are affected by such damage or destruction. If said damage or destruction, however, affects only the General Common Elements, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on such Unit Owner's Unit, other than mortgages which are not

Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

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

F. If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more of all the Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, then and in that event the Property or so much thereof as shall remain, 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, if any, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

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

Insurance

A. The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (excluding each Unit and its fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, each of the Boards and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance); (b) rent insurance in an amount equal to Residential and Commercial Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and

machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all Boards and all officers, directors and employees of the Condominium, the Residential Section and the Commercial Section; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine. Each Unit Owner shall be an additional insured.

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

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

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

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

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

G. The Condominium Board is not required to obtain or maintain any insurance with respect to the Units or any property contained in a Unit. Pursuant to the By-Laws, each Unit Owner shall, at the Unit Owner's sole cost and expense, obtain and keep in full force and effect

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

Liability of Boards of Managers and Unit Owners

A. Every contract made by the Condominium Board or the Residential Board or by any managing agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners or Residential Unit Owners, respectively, and such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Residential Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners or Residential Unit Owners, as the case may be, and (ii) to the extent permitted by Law, unless otherwise determined by the appropriate Board in its sole and absolute discretion, such Unit Owner's interest in such Unit Owner's Unit and its appurtenant Common Interest. To the extent permitted by applicable Law, Board members shall have no liability to Residential Unit Owners except that a Board member shall be liable for such member's own bad faith or willful misconduct. All Residential Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member and each Residential Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

B. Any Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct

Reports to Unit Owners

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

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the

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

Units Acquired by Residential Board or Commercial Board

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

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

Procedure to Review Real Estate Tax Assessments

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

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the General Common Elements or Limited Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created only against the individual Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of Emergency repairs. No labor performed on, or materials furnished to, the General or Limited Common Elements shall be the basis for a lien thereon but (a) all Residential Common Charges received by the Residential 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 Residential Board or the Managing Agent for the Residential Common Elements and the Residential Limited Common Elements and (b) all General Common Charges received by the Condominium Board shall constitute trust funds for the purposes of paying the cost of labor performed or materials furnished at the request or with the consent of the Condominium Board or the Managing Agent for the General Common Elements.

Easements

In order to facilitate the operation and Maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Boards. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Residential Unit Owner to use the General Common Elements and the Residential Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes. Sponsor, the Commercial Unit Owner or their respective designees shall have an easement, and as permitted by Law, to (i) erect, access, maintain, repair and replace lights and lighting fixtures, (ii) to erect, access, maintain and replace satellite communication equipment and similar or accessory equipment on the roofs and facade of the Building and elsewhere on the Common Elements, and (iii) to install wiring and cable through the Building conduits and risers, which grant of easement shall entitle Sponsor, the Commercial Unit Owner or their respective designees to utilize such easement for their own account or the account of any licensee of Sponsor, the Commercial Unit Owner or their respective designee for the purpose of servicing the Condominium, the Commercial Unit or any other building or area. Sponsor hereby reserves for itself, the Commercial Unit Owner and their respective designees, the right to place satellite dishes, antennae or other communications systems upon any portion of the roof of the Building. In addition, Sponsor, the Commercial Unit Owner or their respective designees shall have an easement to erect, maintain, repair and replace any Signs permitted by Law on the Property.

Name of Condominium

The Condominium shall be designated and known as "200 East 79th Street Condominium." Sponsor and Sponsor's assignee shall own and control all rights and interests,

including the right to apply for any trademark and prosecute to registration any federal trademark applications, and shall be responsible for all obligations and liabilities, including those in furtherance of protecting, policing and maintaining any applicable trademark rights, which may include litigating against those whom Sponsor believes may be infringing Sponsor's rights in and to the name of the Condominium and Building, appurtenant to the name of the Condominium and/or the Building. Only Sponsor shall have the right to change or assign the name of the Condominium 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 as the sponsor of the condominium offering, together with such other information as Sponsor determines in its sole discretion.

The Declaration and By-Laws

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

REAL ESTATE TAXES

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

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

C. The tax figures set forth in Schedule A are estimates only and actual real estate taxes for the First Year of Condominium Operation may be higher or lower. Please refer to the opinion of Stroock & Stroock & Lavan LLP for further discussion regarding real estate taxes and benefits for the residential portion of the Property.

D. The figures set forth on Schedule A for taxes with 421-a Benefits are based on the assumptions that Sponsor will apply for and the Property will qualify for a certificate of eligibility for partial exemption under the 421-a Program. The 421-a Program has been extensively modified by legislative and regulatory changes adopted between 2006 and 2011. These changes greatly reduce the benefits available for market-rate condominiums as compared to the benefits previously available under the 421-a program. The changes also create uncertainty as few buildings have been completed since the new law and regulations went into effect. If the Property fails to meet the requirements for 421-a eligibility taxes will be payable without 421-a Benefits. If the Property qualifies but the implementation of the exemption differs from that anticipated by Sponsor, the taxes with 421-a Benefits may be substantially greater than estimated.

E. Purchasers should note that the real estate taxes for the First Year of Condominium Operation without 421-a Benefits are less than taxes without 421-a Benefits would be for the second and later years of Condominium operation since the first year's tax estimate is based on a projected assessed valuation of the Property prior to the completion of the Building. It is expected that additions to the assessed value in the second and third years of Condominium operation would result in substantially greater valuations for those years. Assuming the Property does not receive any partial exemption or abatement from real estate taxes, the taxes during the second year of operation could be approximately 19% higher than the taxes during the first year of operation.

F. Real estate taxes may increase each year because of increases in assessed values or tax rates or the expiration of partial exemption or abatement benefits or a combination of these factors. These increases may be substantially greater than inflation in some years.

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

H. The Property is currently assessed as a single tax parcel identified as Manhattan Block 1433, Lot 45. Purchasers may review general information about New York City's real estate tax process and specific information on the Property's assessment and tax liability by visiting the City's official website: www.nyc.gov/finance.

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

J. PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method to be employed by the New York City tax officials in assessing the Property or in allocating the assessed values of individual Residential Units; (ii) of the assessed values of the Residential Units during the First Year of Condominium Operation, (iii) of the tax rates for the First Year of Condominium Operation, or (iv) that the Property will qualify for or receive 421-a Benefits under the 421-a Program or of the amount of such benefits.

SPONSOR MAKES NO REPRESENTATION THAT THE ESTIMATED ASSESSED VALUE OF THE PROPERTY, ALLOCATIONS TO THE INDIVIDUAL UNITS, 421-A BENEFITS OR TAX RATES WILL BE AS PROJECTED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE, IN RECENT YEARS, IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS WHICH WERE NOT CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.

Section 421-a Real Estate Tax Benefits

A. Sponsor, at its sole cost and expense, intends to apply for 421-a Benefits with respect to the Property pursuant to the 421-a Program. The 421-a Benefits available for market-rate condominiums are substantially less than were previously available under the 421-a Program. There is no guaranty or assurance that the criteria for availability of 421-a Benefits for the Residential Units will be satisfied or that a 421-a certificate of eligibility will be issued by the New York City Department of Housing Preservation and Development ("HPD"). Between 2006 and 2011 the 421-a Program has undergone major changes as a result of State and City legislation and Rules promulgated by HPD, and there has been very little experience upon which to predict how the new provisions will be interpreted and implemented by New York City officials as many of the changes had delayed effective dates and apply to very few completed projects. If, for any reason, Sponsor's application for a 421-a certificate of eligibility is not approved, the Residential Units will be subject to full taxation and will receive no 421-a Benefits.

B. If the Property receives 421-a Benefits, Purchasers should note that such benefits provide only a partial exemption from taxes and are only for a limited period (the "Benefit Period"), usually ten years in Manhattan south of 110th Street, and that the 421-a Benefits may decrease over the Benefit Period. At the expiration of the Benefit Period Purchasers will be paying real estate taxes based upon the full assessed valuation of their Units. For further information and updates on the 421-a Program, Purchasers are encouraged to visit the HPD website at http://www.nyc.gov/hpd.

C. In connection with 421-a Benefits, negotiable certificates of eligibility have been purchased by Sponsor for the number of Residential Units for which exemption will be claimed.

D. Taxes with 421-a Benefits are estimated on the assumption that 421-a Benefits will be subject to an Assessed Value Cap that is imposed by the current 421-a regulations. If 421-a Benefits are available, Units having a greater total assessed value will have more assessed value that exceeds the Assessed Value Cap than lesser-valued Units, which will result in higher-value Units paying a greater proportion of the aggregate tax for the Property than is represented by their common interest percentages. The Assessed Value Cap in effect for the New York City tax year ending June 30, 2012, at the most recently established tax rate, would set the maximum benefit at approximately $10,122. The estimated maximum benefit for the First Year of Condominium Operation is a similar amount. Most of the Individual Units will have assessed values that exceed the Assessed Value Cap and will have substantial real estate tax liabilities throughout the Benefit Period.

E. If 421-a Benefits are obtained, real taxes during the Benefit Period will be no less than an amount based on the current tax rate, which is subject to annual change, and the assessed value of the site on which the Building is situated that applied prior to the commencement of construction of the Building. A portion of such pre-construction assessed value will be allocated to each Individual Unit. A small number of Individual Residential Units may have assessed values that are less than the Assessed Value Cap in the first two years of the Benefit Period and will be taxed only on the allocated pre-construction assessed value. All other Individual Units

and then, starting in the third year of the Benefit Period, all Individual Units will have additional real estate tax liabilities in excess of that based on the allocated pre-construction assessed value.

F. Sponsor will keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits which can result in the reduction or revocation of benefits if proper documentation is not provided. Upon recording of the Condominium Declaration, Sponsor will make all tax benefit documents available to the Condominium Board for inspection and copying for the life of the benefits and Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

Please refer to the opinion of Stroock & Stroock & Lavan LLP for further discussion regarding real estate taxes and benefits for the residential portion of the Property.

G. **SPONSOR MAKES NO REPRESENTATION THAT THE PROPERTY WILL QUALIFY TO RECEIVE 421-A BENEFITS, OR THAT ONCE GRANTED SUCH BENEFITS WILL CONTINUE FOR THE ANTICIPATED BENEFIT PERIOD OR BE RECEIVED AT THE LEVEL PROJECTED. PURCHASERS ARE ADVISED THAT THE 421-A PROGRAM HAS UNDERGONE MAJOR CHANGES DUE TO NEW LEGISLATION AND REGULATION FOR WHICH THERE IS INSUFFICIENT EXPERIENCE TO DETERMINE HOW SUCH CHANGES WILL BE INTERPRETED AND IMPLEMENT BY RESPONSIBLE OFFICIALS OF THE CITY OF NEW YORK.**

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

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

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

Deductibility of Mortgage Interest and Real Estate Taxes

A. Each Residential Unit Owner will own such Unit Owner's Residential Unit and its Common Interest in the Common Elements in fee simple and each Residential Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments (see the section entitled "Real Estate Taxes" in Part I of the Plan for further details). Since each Residential Unit Owner will own such Unit Owner's Residential Unit in fee simple, the owner may mortgage such Residential Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

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

Taxation of the Condominium

A. If the Condominium meets the requirements for qualification as a "homeowners association," under Section 528 of the Internal Revenue Code, which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, interest earned on any reserve or working capital funds and possibly income from assessments from owners of the Commercial Unit (in each case, less expenses directly connected with the production of such income).

B. Sponsor anticipates that it is likely that the Condominium will qualify as a homeowners association under Section 528 of the Internal Revenue Code. If the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the Law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the Condominium is properly treated as a separate taxable entity, some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) may be subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax (depending on whether the Condominium is properly classified as a corporation or a partnership for federal income tax purposes). Alternatively, if the Condominium is not properly treated as a separate taxable entity, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. Schedule B does not contemplate any substantial income which might be taxable and accordingly does not specifically budget any amounts for taxes for nonmembership or membership income (but does budget for certain minimum taxes that might be due). The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. Please refer to the Attorney's Income Tax Opinion set forth in Part I of the Plan for further details.

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

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

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

STROOCK

March 22, 2012

200 East 79th Street, LLC
13-15 West 54th Street
New York, NY 10019

Re: Condominium Offering Plan
200 East 79th Street Condominium (the "Condominium")

Ladies and Gentlemen:

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

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

Pursuant to the Plan, the purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate

Residential Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property to the extent otherwise allowed. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

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

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

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (each a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which is (i) incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing of such indebtedness, to the extent that the indebtedness does not exceed the amount of the refinanced debt), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return) ("acquisition indebtedness"), and (ii) indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for the qualified residences of the taxpayer in any period. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such

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

Each owner of a Residential Unit who uses his or her Residential Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 100% in the case of individuals having income exceeding certain prescribed levels. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

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

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from the Residential Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other

than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year, and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in the Plan, including Schedule A to the Plan, and assuming that the Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. Based upon the foregoing and assuming (i) the Plan becomes effective during the taxable year ending December 31, 2014 (the "2014 Taxable Year"), (ii) the actual gross income and expenditures of the Condominium for the 2014 Taxable Year are the same as (or, if such year is a short taxable year, are in the same proportions as) the estimated gross income and expenditures for the Condominium's first full year of operations, as set forth in Schedule B to the Plan and the associated documents referenced therein, (iii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iv) there are no changes in the facts and/or the relevant provisions of current law after the date of this opinion, the Condominium will be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2014 Taxable Year.

Absent the application of Code Section 528, the present state of Federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Provided that the Condominium is not incorporated under any relevant provision of New York State law, the Condominium Board, as agent of the Unit Owners under the Condominium's By-Laws, may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Condominium Board collecting such charges. If, however, the Condominium is properly treated as a separate entity, and is not incorporated under any relevant provision of New York State law, the

Condominium may elect to classify itself as a corporation under the currently applicable Federal entity classification regime. If the Condominium files an election to be classified as a corporation, it would be considered a separate taxpayer with respect to income (potentially including the Common Charges, among other things) and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium does not file an election to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax; the items of income and deduction of the partnership (potentially including the Common Charges, among other things) generally would be reflected on the separate income tax returns of each of the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

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

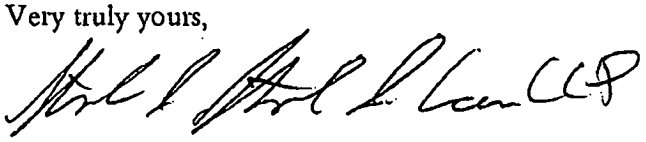
To ensure compliance with requirements imposed by the IRS in Circular 230, we hereby inform you that (i) any tax advice contained in this opinion is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties under the Code, (ii) any such tax advice is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

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS, the New York State Department of Taxation and Finance, the City of New York Department of Finance or

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

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

Very truly yours,



STROOCK & STROOCK & LAVAN LLP

73839181v1

339-i OPINION OF STROOCK & STROOCK & LAVAN LLP

STROOCK

March 23, 2012

200 East 79th Street LLC
13-15 West 54th Street
New York, NY 10019

Re: 200 East 79th Street Condominium
200 East 79th Street
New York, New York 10075 (the "Condominium")

Gentlemen:

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

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Rose Associates, Inc. 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 Rose Associates, Inc.

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

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

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

STROOCK & STROOCK & LAVAN LLP · NEW YORK · LOS ANGELES · MIAMI
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We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

STROOCK & STROOCK & LAVAN LLP

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REAL ESTATE TAX OPINION OF STROOCK & STROOCK & LAVAN LLP

STROOCK

212-806-5400

June 1, 2012

200 East 79th Street LLC
c/o Skyline Developers, LLC
13-15 West 54th Street - 1st floor
New York, New York 10019
Attention: Leonard Wilf

Real Estate Tax Projection
200 East 79 Street
Manhattan Block 1433, Lot 45

Dear Mr. Wilf:

You requested and we provide here a real estate tax projection for the first year of condominium operation based on the most recently available information on the tax assessment for this property, New York City's assessment practices and applicable law, as well as your description of the proposed building and stated intention to apply for partial exemption benefits under the 421-a program.

1. The building

You have advised us as follows: The New York City Department of Buildings approved plans for a mixed-use building on June 9, 2011, and issued a building permit on July 22, 2011. Construction of the foundation commenced on August 1, 2011. The building is under construction and no temporary or final certificate of occupancy has been issued. The building will consist of 45 residential units, including one designated for the resident manager, residential amenities and commercial space. The building will have a subcellar, cellar and 19 stories. The primary uses and gross floor areas of the building will be approximately as follows:

Use	Floors	Sq. Ft.
Mechanical, building storage, staff rooms	Sub cellar	6,035
Mechanical, staff rooms, amenities	Cellar	8,101
Commercial unit	Cellar	583
Commercial unit	1	6,055
Residential units, amenities, mechanical	1, M, 2-19	130,280
Total except subcellar	C-19	145,019
Total	SC-19	151,054

You have further advised us that the property will be operated as a condominium with 45 residential units, 44 of which are offered for sale pursuant to the offering plan and one which will be sold to the condominium's board of managers as a resident manager's apartment, and a commercial space, making the total number of units 46. The accessory residential amenity spaces will be common elements. The property will not include any rental apartments or affordable housing units.

2. **New York City real estate tax calendar**

New York City ("the City") levies real estate taxes as of the first day of the City's fiscal year: July 1 – June 30. The City adjusts its tax value estimates annually for all properties. Prior to the beginning of the tax year, the City's Department of Finance ("Finance") publishes tentative assessments on or about January 15, based on the condition and value of property as of January 5, and publishes final assessments on or about May 25. In June, City officials calculate annual tax liabilities and issue tax bills based on the final assessed values and the most recently determined tax rates. Commonly, the rates are adjusted retroactively during the tax year. Taxes are payable in advance in semi-annual installments on July 1 and January 1. Properties, including separately assessed condominium units, that have taxable assessed values of $250,000 or less, may pay in quarterly installments.

3. **Separate assessment**

Currently the property is designated as a single tax lot. When the office of the City Register records the condominium declaration and floor plans, and the City Tax Map Office changes the City's tax map, the Property Division will assess each individual condominium unit as a separate tax lot on subsequently published assessment rolls. The Register, Tax Map Office and Property Division are offices within Finance.

Finance issues tax bills, denominated "statements of account" prior to the beginning of each quarter. In some cases Finance will issue separate tax bills for each unit for the first quarter of the tax year that begins after the publication of the first assessment roll that lists the units as separate tax lots. Until that time, or later, Finance may continue to issue a single tax bill for the entire property. In some instances, however, Finance may issue separate bills after the designation of the condominium lots on the City's tax map but before the first publication of separate assessments. We make no representation as to the first assessment roll or tax bill for which Finance will separately assess and tax the units. Purchasers who take title during tax periods prior to the establishment of separate assessments may be required to pay an allocated portion of the tax bill for the property as a whole, as specified in the offering plan.

4. Scope of this opinion

The first year of condominium operation, the year starting July 1, 2013, corresponds with the City's 2013/14 tax year. In order to provide real estate tax projections for the first year of condominium operation we have projected the assessed values and tax rates for that tax year. The most recently established assessed values are the final assessments for the 2012/13 tax year. The most recently established tax rates are for the 2011/12 tax year.

You have advised us that you will file an application for Real Property Tax Law § 421-a partial tax exemption benefits ("421-a benefits) with the New York City Department of Housing Preservation and Development ("HPD"). This projection provides forecasts of the assessments and resulting tax liabilities both with and without 421-a benefits.

If the 421-a application is not approved, the relevant tax estimate for the first year of operation would be the projection without 421-a benefits.

If the 421-a application is approved, the projection with 421-a benefits would be the relevant tax estimate for the first year of operation. However, approval of 421-a benefits often occurs retroactively, so that even if 421-a benefits are approved, the projection without 421-a benefits may be relevant for purposes of estimating the taxes that will be imposed prior to the approval of 421-a benefits. If the 421-a application is approved, the City will refund or apply credits for taxes paid in excess of the level due with 421-a benefits.

As further explained below, this projection has only very limited relevance for purposes of estimating the real estate tax liabilities that may apply after the first year of condominium operation.

5. Limitations

This opinion is not a guarantee. It is not binding on the City.

In making our projection we have, with your consent, relied on the information provide by you and have not made an independent investigation as to these facts.

We have used our best professional judgment and knowledge of the applicable law and practice to make this analysis as accurate as possible. However, we cannot guarantee that the actual taxes will be as projected and make no representation to that effect.

The projection of assessed valuations and taxes for a future year necessarily requires a number of assumptions as to facts that cannot be determined with certainty. Therefore, anyone using this projection must consider the possibility that the Actual Assessments, taxable assessed values and tax liabilities may be substantially more or less than projected.

These projections are approximate. It is normal to find a substantial range of assessed values for similar properties. Our projections fall within the range of observed values for recently constructed residential condominiums in Manhattan and are adjusted for expected assessment and tax rate growth based on historical averages.

Further, assessed valuations and tax rates are subject to annual adjustment. Exemptions and abatements are of limited duration. Therefore, this projection cannot be assumed to predict the amount of taxes payable in the years following the period covered.

An application for 421-a benefits has not yet been made or approved by HPD or implemented by Finance. The projection of real estate taxes with 421-a benefits assumes that the application will be approved and implemented. However, we cannot be certain and do not guarantee that the City agencies having jurisdiction over the 421-a program will interpret the laws, rules and facts consistently with our analysis.

As HPD is not subject to any time constraints in making its determination on 421-a eligibility, we make no prediction as to when the determination will be made or when benefits would be retroactively implemented upon approval.

Please refer to the detailed discussions of 421-a eligibility and implementation below, including discussion of the uncertainty created by the extensive, but largely untested, changes to the 421-a program made by state and local legislation and rule amendments since 2006.

Finally, this projection is based on current state and local law and established local administrative practices. These laws and practices are subject to changes that could substantially affect future tax liabilities. We make no representation or guarantee that the existing laws and practices will remain in effect and have not undertaken any obligation to notify you or third parties if we become aware of change in facts, laws or administrative practices that might affect the projection.

6. **Factors affecting tax liability**

The real estate tax payable for each tax year by the owner of a condominium unit in New York City is determined by the following:

- The full value of the property or major portion, as estimated for tax purposes.
- The portion of the full value allocated to the unit in question.
- The tax class of the unit.
- The level of assessment.
- Transition Assessments.
- Partial exemptions to which the property is entitled by law.
- The tax rate for the relevant tax class.
- Tax abatements to which the owner is entitled by law.

7. Potential for correction of assessment on appeal

The assessed values, and the underlying estimates of market value and level of assessment, are determined initially by Finance and are subject to review on appeal to the City's Tax Commission and the courts. Determinations of tax class and eligibility for exemption, and calculation of Transition Assessments, exemptions and abatements are also subject to review. If the initial determination of any of these factors is affected by error, it may be corrected on appeal. However, there is a risk that the appeal will be unsuccessful or delayed. Real estate taxes must be paid while under appeal and, while some appeals can be completed before the taxes are due, others may remain unresolved several years after the tax is paid. The timely preservation of the right to appeal the assessment is currently your responsibility as owner and, after the condominium commences operations, the unit owners acting individually or, most commonly for residential units, through the board of managers as agent.

8. Full value estimate

Valuation of the property for tax purposes is governed by New York Real Property Law § 339-y and Real Property Tax Law § 581. These provisions require that condominiums be valued without regard to their ownership in condominium form. The assessing officials must view a residential condominium as if were owned and operated as a rental property, determine a value for the property as a whole and then allocate that value to the individual units.

The aggregate value of the condominium units determined pursuant to these provisions of law is usually substantially less than the value that would be determined by adding together the sales prices of the individual units. The law precludes the use of unit sales prices for purposes of determining the value of the condominium as a whole.

Consistent with the state law requiring valuation as if the property were a rental, it has been the practice in New York City to rely primarily on the income approach to value residential condominiums. Under the income approach, value is estimated by capitalizing an anticipated net operating income. We believe that the law requires primary reliance on the income approach using estimated rents and expenses that would be typically expected if the property were operated as a rental. The estimated rents should be derived from similar buildings operated as rentals, with adjustments for differences between the subject and comparable buildings that can be objectively supported by observation of the market.

In order to project the full value that will be the basis for taxes for the first year of condominium operation, we simulated the valuation method currently used by Finance to determine estimated market values for the relevant future period. The most significant factors informing this estimate are the gross floor area of the building, the gross income per square foot, the operating expense per square foot or as a percentage of gross income and the capitalization rate.

Finance often values mixed-use condominiums by first separately valuing the residential and nonresidential components. For the purpose of this projection we have therefore determined separate full value estimates for the residential and commercial portions of the building, which are set forth in the Conclusion.

In estimating the gross floor area that Finance will adopt in its valuation, we include all above grade space except mechanical space located above the main roof. We also include basement and cellar space (but not subcellar space). Historically, below grade space was not included for tax valuations except where it contained rentable space, such as space used for retail sales or professional offices. Below-grade garages, storage and amenity spaces were excluded However, we have observed that Finance often includes such space for recently constructed buildings.

We estimated income per square foot from several sources, including the published income estimates used by Finance to value existing buildings, the income reported in filed tax protests and rents from public listings. We adjusted the income to account for

the time difference between the source of the data and the period from which Finance will draw data for the tax year in question.

We developed operating expenses and capitalization rates based on Finance's published guidelines and our observation of how these guidelines are applied.

We tested the resulting value per gross square foot against the values most recently set by Finance for similar, new construction condominium buildings, omitting those so recently built that their assessments may not reflect full completion, and adjusting the values for the time difference between the current assessments and the projection period.

Finally, we adjusted the full value estimate to account for the fact that the building will not be assessed as complete on the relevant valuation date. Finance will make an estimate of the state of completion in the fall of the year prior to the beginning of the tax year and use either a construction cost estimate or a proration of its income-based value to assess the building component of the property. This adjustment substantially reduces the estimate of full taxes, without 421-a benefits, for the first year of condominium operation as compared with the second and following years of operation.

We are aware of opinion that the cost approach may also be used to value recently completed condominiums. Were the cost approach used, it would be based on the actual or estimated costs of construction and an estimated value of the land. A value so derived could be substantially greater than value derived by the income approach. We believe that a value for this property greater than that derived by the income approach would be incorrect as a matter of law but note that the outcome of an appeal to correct such error is uncertain and would present a risk that the assessed value and tax liability will be greater than projected.

In reviewing the assessments of recently constructed condominiums, we observe that there is a wide range with some individual properties having assessed values well in excess of the median. We cannot determine, based on public data, if these values are the result of individual circumstances or a shift in assessment practices that may become more common in future years. It is also possible that some of the highest values will be reduced by the appeals process.

Although the possibility of a higher valuation and the uncertainty of success if an appeal is required pose risks, we believe that our projections represent the most probable full values for tax purposes for the time period at issue.

9. Allocation of value to individual units

Beginning with the first assessment roll prepared after the apportionment of the property into separate lots, and in each subsequent year, the Property Division will allocate the estimated total property value to each of the separate tax lots. The law does not prescribe a single method for the allocation of the total value. The stated current practice of Finance is to allocate the residential value based on the common element percentages specified in the condominium declaration. In a mixed-use building, Finance may in some cases use the common interest percentages to allocate all of the values but often modifies this method by first separately valuing the residential and nonresidential portions of the building and then allocating these values among the units within each of the portions according to each unit's share of the total common interest for the portion in which it is situated.

There is no guarantee that the City will continue to use the common interest percentages for allocating the total values in the future. In the past, other methods have been used, including allocation based on each unit's asking or selling price relative to the total of all unit prices.

10. Tax class

The tax class designation of a property determines the applicable level of assessment, transition phase-in rules, and tax rate. Currently, the property is assessed as a single tax lot, which is designated as Class 2 property. Upon separate assessment, the individual dwelling units will also be designated as Tax Class 2 property, which is defined by New York Real Property Tax Law §§ 1801 and 1802 as property used primarily for residential purposes, other than certain property (primarily one, two and three family homes and townhouse condominiums) that is defined as Tax Class 1 property. The commercial unit will be designated as Class 4 property when separately assessed.

11. Level of assessment and Actual Assessments

The level of assessment is the relationship between market value, as determined for tax purposes, and the nominal valuation that forms the basis for the property's individual tax bill. This fractional valuation is referred to as the Actual Assessment.

State law permits New York City to determine a uniform level of assessment, not more than 100%. The City, by an administrative determination first effective for the 1984/85 tax year, has chosen to assess Tax Class 2 and Tax Class 4 properties at 45% of full value.

Although the City may change the level of assessment in the future, we assume the 45% level of assessment will continue and, therefore, multiply our projection of the full values by 45% to project the Actual Assessments.

12. **Transition Assessments**

Annual assessments changes for Tax Class 2 and 4 properties are subject to a transition phase-in if they are not attributable to construction, renovation or other physical cause. Taxes are based on the lesser of the Actual or Transition Assessment.

The Transition Assessment is based on the Actual Assessments for the current and previous five years. In order to project future Transition Assessments, we have allocated the current and past assessments proportionately to the projected Actual Assessments for the major portions of the building.

In projecting the Transition Assessments we have allocated a portion of the expected assessment increases to the land, which will be phased in, and assumed that the balance of the assessment increase will be deemed to be the result of the construction and, therefore, not subject to phase-in.

When the Transition Assessment is less than the Actual Assessment, the tax bill will be based on the Transition Assessment. The resulting tax savings are temporary, and will disappear as the difference between the Actual and Transition Assessment is phased in. However, future assessment increases, which may be expected due to growth in rental values, will be similarly phased in over successive five-year periods.

13. **Partial exemption under the 421-a program**

Partial exemptions from real property tax, where authorized by New York State law, are implemented by Finance by deducting the prescribed amount of exempt assessed value from the total assessed value that would otherwise be the basis for the tax bill. The resulting amount is the taxable assessed value.

Section 421-a of the Real Property Tax Law ("RPTL") provides for a partial exemption from New York City real property taxes that is granted as of right to applicants who build a new residential building meeting the criteria set forth in the statute and rules. The 421-a program, which has existed since the 1970s, is administered by HPD and Finance.

The laws authorizing the 421-a program were extensively amended by multiple acts of the State Legislature and City Council in 2006, 2007 and 2008, which restricted

eligibility, curtailed benefits and imposed additional requirements. HPD has promulgated several amendments of its 421-a rules reflecting the legislative changes. Generally, the legislative and related rule amendments first apply to projects commenced after December 26, 2007, or in some cases, after June 30, 2008. As construction of the building commenced on August 1, 2012, the new provisions apply to the property.

The most recent legislative change, enacted in 2011, extend the deadline for commencing construction from December 28, 2010, to June 15, 2015.

The 421-a program benefits are available to projects that meet the criteria set forth in the relevant statutes and rules, which are summarized below. The major requirements relating to the design, site, construction and operation are as follows:

- The project consists of the construction of a new multiple dwelling to contain at least four dwelling units. The project meets this requirement.

- The building is built on vacant land and is not a conversion or renovation of an existing building, with certain exceptions not relevant to this project. The project meets this requirement.

- Construction is commenced before June 15, 2015. You have advised us that construction commenced on August 1, 2011.

- The building, at the time that construction is commenced, is situated outside the geographic exclusion areas established by the state or local laws or rules governing the 421-a program or, alternatively, provides affordable housing units in the manner specified by the 421-a laws and rules. A more detailed discussion is set forth below.

- The building is situated on a site that was vacant, predominantly vacant, underutilized or improved with a non-conforming use as of a date 36 months prior to the commencement of construction. A more detailed discussion is set forth below.

- The site was not in a zoning district, as of April 14, 1982, that allowed a floor area ratio of 15 or greater. The site is compliant with this requirement.

- The site is not in a Manhattan zoning district where, as of the commencement of construction, the as-or-right zoning allowed only manufacturing use, or in a

mixed use district where residential use is not permitted as of right. The site is compliant with this requirement.

- The site is not mapped as a public park or used as a private park. The site is compliant with this requirement.

- If the completed building will contain more than 20 dwelling units and the site was improved with a residential building one month before commencement of construction, the new building must replace the pre-existing units at a ratio of five to one. The previously existing improvements were demolished prior to May 7, 2009 and, therefore, this requirement does not apply.

- If the project displaces one or more occupied, rent-regulated units in a building that had 25 or more such units as of December 31, 1974, a certificate of eviction is obtained for at least one unit under the applicable rent regulation laws. As the site was vacant at the time the project commenced, this requirement does not apply. Further, none of the pre-existing buildings contained 25 or more units.

- If the new building will contain more than 100 units, or is subject to the requirements for onsite affordable housing units, it meets certain requirements as to the mix of apartment sizes. These requirements are not applicable.

- The building's heating and cooling equipment and appliances are Energy Star qualified. It is assumed that the project will comply.

- Construction is completed within 36 months of commencement. It is assumed that the project will comply.

- If the building is operated as a rental, it is made subject to rent stabilization during the exemption period. You have advised us that the building will be operated as a condominium and, as such, is exempt from this requirement.

- The building is not operated as a hotel or for other occupancy for periods of less than six months. It is assumed that the project will comply.

- If the building has 50 or more dwelling units, the developer must agree that the building employees who work eight or more hours per week are paid wages at rates determined by the City Comptroller to be those prevailing in the local area. You have advised us that the building will contain 45 dwelling units and, therefore, this requirement is not applicable.

- If the project is subject to a requirement to create affordable units onsite, such units are maintained as affordable units for a period of 35 years. This requirement is not applicable.

- If the project qualifies for benefits based on the purchase of negotiable certificates issued by HPD to a for-profit developer of affordable housing at another location, the affordable housing at the other location must be maintained in accordance with the written agreement between HPD and the developer. See the discussion of negotiable certificates below.

In addition to the criteria for eligibility outlined above, in order to secure 421-a benefits, it is assumed that the project will comply with the following administrative requirements:

- Application for a Preliminary Certificate of Eligibility must be made to HPD after commencement of construction but before completion. Completion is defined as the issuance of a final or temporary certificate of occupancy for all of the residential dwelling units.

- If the building will contain more than 20 units, a copy of the preliminary application must be provided to the community planning board for comment by certified mail or hand delivery within 10 days of its submission to HPD and a copy of the delivery receipt must be provide to HPD within ten days.

- Application for a Final Certificate of Eligibility must be made to HPD after completion of construction and before occupancy of a rental project, or the January 5 following completion of a condominium or cooperative project. The final application is to be filed within 90 days of completion for properties containing no more than 100 units and within 180 days for larger projects.

- The applications must include statements by a licensed architect or engineer and a certified public accountant.

- As the purchase of the property occurred more than two years before the commencement of construction, the application must include a professional appraisal of the site.

- For rentals, the application must include a schedule of proposed initial rents based on recovery of approved operating expenses, less commercial income, and

a 14% return on approved capital costs. Costs and expenses are subject to limits promulgated by HPD.

- For rentals, the building must be registered with the New York State Division of Housing and Community Renewal and tenants must be offered two-year rent stabilized leases.
- A fee of 0.4% of the project costs must be paid.
- Upon receipt of both the preliminary and final certificates of eligibility from HPD, the certificate and an application for exemption must be promptly filed with Finance.
- The property may not avail itself of other exemptions from property tax granted on account of construction or renovation.
- Taxes and water and sewer charges must be paid as due.
- Multiple dwelling registration information must be maintained with HPD.
- The developer must not engage in unlawful discrimination in the sale or rental of units.
- Records of construction costs and, for rental properties, rents, revenues and operating expenses, must be maintained during the benefit period and be made available for audit.

14. **421-a eligibility: geographic exclusion area and negotiable certificates**

Projects built within designated geographic exclusion areas ("GEA") qualify for 421-a benefits only if they provide affordable housing units as specified in the 421-a laws and rules. The site is located within a GEA and therefore is subject to the affordable housing requirements.

RPTL § 421-a[7][b] provides that

> Notwithstanding any provision of this section [421-a] or any local law to the contrary, the benefits of this section shall not be available for new multiple dwellings located in a geographic exclusion area which commence construction after December twenty-eighth, two thousand seven unless they comply with the

> provisions of this subdivision for thirty-five years from completion of construction of the building receiving benefits pursuant to this section.

RPTL § 421-a[7][c] specifies the percentage of units that must be affordable and the applicable income levels for measuring affordability. RPTL § 421-a[7][d] specifies the required mix of apartment sizes in the affordable component. RPTL § 421-a[7][e] expands on the requirement that rental units be subject to rent stabilization.

RPTL § 421-a[7][f] provides that

> All affordable units must be situated onsite. For the purposes of this section, "onsite" shall mean that affordable units shall be situated within the building or buildings for which benefits pursuant to this section are being granted.

RPTL § 421-a[12] provides that

> An agreement with the local housing agency to create or substantially rehabilitate offsite housing units affordable to households of low and moderate income, shall remain in full force and effect. The housing units developed pursuant to such agreement shall continue to make a building or buildings located in geographic exclusion areas as defined in this subdivision eligible to receive benefits pursuant to this section notwithstanding the provisions of subdivision seven or nine of this section [421-a] or any exemption cap provided in local law provided that the agreement with the local housing agency was entered into prior to December twenty-eighth, two thousand six and construction of the building receiving benefits pursuant to this section is commenced on or before June thirtieth, two thousand nine.

These provisions of RPTL § 421-a apparently allow benefits for new projects in the GEA only if affordable units are provided in the same building or complex for which benefits are sought. However, the current HPD rules, codified in the Rules of the City of New York ["RCNY"], clearly provide that an alternative means of qualifying continues to exist for new projects for which negotiable certificates are purchased from a developer who, prior to December 28, 2007, entered into a contract with HPD to provide affordable units at another location. Those rules provide at 28 RCNY 6-09[b]:

> Multiple Dwellings Affected. (1) Unless otherwise exempted pursuant to the Act [RPTL § 421-a], a multiple dwelling within the geographic exclusion area that commences construction on or after July 1, 2008 and which would otherwise be

eligible for the benefits of the Act, is only eligible if:

...

(iii) such multiple dwelling has purchased negotiable certificates in order to entitle it to the benefits of the Act for a specified number of units in the geographic exclusion area; provided, however, that such negotiable certificates were generated by a Written Agreement with the Department entered into prior to December 28, 2007 pursuant to § 6-08(b)(4) of this chapter.

We believe that this rule was written to avoid the abrogation of existing contractual obligations between the City and developers of affordable housing under the negotiable certificate program. It is binding on the City.

You have advised us that on March 1, 2012, you purchased a negotiable certificate issued by HPD on February 3, 2012, pursuant to a written agreement dated April 28, 2006, between HPD and the developer of affordable housing located at 950 Westchester Avenue in the Bronx. The certificate provides that it may be used for obtaining 421-a benefits for 93 market-rate units of up to 1,200 square feet in average floor area.

The 421-a rules provide, at 28 RCNY 6-08[b][6], that where the average unit size is greater than 1,200 square feet, the number of market-rate units to be purchased through the negotiable certificate program is increased by the proportion by which the average size exceeds 1,200 square feet. You have advised us that the floor area of the residential units to be built on the property is 111,435 square feet. There will be 45 units. Therefore, the average unit size is 2,476 square feet, which is 2.06 x greater than 1,200. Multiplying 45 units by 2.06 produces 92.85 units. The purchase of a negotiable certificate for 93 market-rate units is therefore sufficient to qualify the property for 421-a benefits.

The building at 950 Westchester Avenue (Block 2703, Lots 1001-1004) in the Bronx appears to be owned by a for-profit owner and, therefore, the 421-a rules require that the owner of the building receiving 421-a benefits under the negotiable certificate program insure that the transferring property be maintained as affordable and in habitable condition as required by the contract between the developer of the transferring building and HPD. If the building is not so maintained, the 421-a benefits for the receiving building may be revoked.

15. **421-a eligibility: site eligibility by virtue of underutilization**

The 421-a law provides benefits for construction of new housing on sites that are vacant, predominantly vacant, underutilized or improved with a non-conforming use.

The existence of one or more of these conditions is determined as of a date 36 months prior to the commencement of construction. As construction commenced on August 1, 2011, the operative date for determination of the site's eligibility is August 1, 2008. Based on information you have provide to us, including public records, the site consisted on that date of four separate tax lots, each improved with a residential or mixed use building, as follows:

	3d Ave				Building sq ft		
Lot	House #	Units	Land sq ft	Allocation	Old bldg	New bldg	Old/New
45	1389	8	1,785	20.53%	6,657	28,114	24%
46	1387	8	1,726	19.86%	5,740	27,185	21%
47	1383-85	8	3,468	39.89%	11,280	54,622	21%
48	1381	4	1,714	19.72%	5,580	26,996	21%
	Total	28	8,693	100.00%	29,257	136,917	

The eligibility of each former tax lot is determined individually. The 421-a rules, at 28 RCNY § 6-02[f][3], define the term "under-utilized." In subparagraph b of paragraph A of the definition, a site improved with a residential building is deemed under-utilized if the floor area of the pre-existing building is not greater than 70% of the floor area of the new building to be built. The floor area of the new building, including all above-grade space and the commercial space in the cellar, is 136,918 square feet. We allocated this floor area to each of the pre-existing tax lots based on their land areas. Dividing the floor area of the old building on each former tax lot by the allocated new building area results in ratios well below 70%. Therefore, the entire site qualifies as an eligible site.

16. **421-a eligibility: risks and conclusion**

We conclude that under the present rules and under the facts and assumptions supplied, the property would qualify for 421-a benefits. However, this conclusion is subject to several risk factors:

- A material error in the factual assumptions or subsequent change in the facts, such as in the plans for construction or operation of the building.

- An error in our interpretation of the relevant statutes and rules or in our analysis of how these apply to the facts supplied.

- A failure by you or a successor owner to comply with the procedural requirements of the 421-a program or an inability to prove the relevant factual requirements to HPD's satisfaction.

- An adverse change in the 421-a rules or interpretation by HPD that is applied retroactively to the property.

- A failure of the owner of the building that provided the negotiable certificates to maintain it as habitable, affordable housing and HPD's enforcement of the rule placing secondary responsibility for such maintenance on the recipient building.

We cannot be certain and do not guarantee that the City agencies having jurisdiction over the 421-a program will interpret the laws, rules and facts consistently with our analysis. Many of the recent legislative and rule changes restricting the benefits of the 421-a program had delayed application, which, combined with the reduced level of new construction since 2008, results in a lack of opportunity to observe how the City agencies will interpret the new rules. This increases the risk that those agencies' determinations on eligibility or level of benefits will differ from those projected here.

The proposed building qualifies for 421-a benefits only because of the HPD rule that permits it to make use of the negotiable certificate program. It is possible that HPD will repeal or modify that rule in the future. While, ordinarily, rule amendments would not apply to projects already under construction, this may not always be the case if the rule change is characterized as being required by the underlying statutory provisions.

Subject to these risks and based on the assumed facts and current law and rules, upon submission of Applications for Preliminary and Final Certificates of Eligibility, completion of HPD's review of the applications, timely compliance with any further requests for information and, when requested, the payment of the requisite filing fee, HPD will issue the Preliminary and Final Certificates of Eligibility. Upon receipt of each certificate you may then apply to Finance for implementation of the exemption benefits provided by law, which we have estimated for this projection.

17. Implementation of partial 421-a tax exemption benefits

The 421-a exemption is always only a partial exemption, and is for a limited period of time. During the benefit period the tax will always be no less than the greater of (1) the

full tax on the assessed value in excess of the Assessed Value Cap, and (2) the full tax on the allocated pre-construction assessed value of the site. Prior to separate assessment these minimums apply to the building as a whole, and then apply to the individual units when separately assessed. In addition, in the third through tenth year of the 421-a benefit period the portion of the assessed value that exceeds the allocated pre-construction assessed value is subject to partial taxation even if the assessed value is less than the Assessed Value Cap. Finally, the 421-a benefits may be diminished if the floor area of certain nonresidential or amenity space exceeds 12% of the total floor area or if only part of the site is deemed eligible.

The pre-construction assessed value is the assessed value of the site, both land and buildings, that was in place for the tax year prior to the tax year during which construction was commenced. The relevant assessed value is the lesser of the site's total Actual or Transition Assessment, without regard to any exemptions. A portion of the pre-construction assessed value will be allocated to each condominium unit when they are first separately assessed.

During the period of condominium operation that falls within the 421-a benefit period, it is expected that the assessed value will exceed the pre-construction assessed value and all but some of the smallest units will be subject to the Assessed Value Cap. Therefore, for most units, the Assessed Value Cap will determine the level of 421-a benefits. At the most recently established tax rate, the 421-a benefit would be $10,122 where the exemption is equal to the Assessed Value Cap. This would be the maximum benefit for most units for the first year of condominium operation.

For those units where the assessed value for a tax year within the 421-a benefit period is such that the Assessed Value Cap does not apply, the partial exemption will be equal to a percentage of the Exemption Base, which is the difference between the current assessed value and the allocated pre-construction assessed value. The percentage of the Exemption Base exempted is 100% during a construction period of up to three years and the first two years of the ten-year benefit period. The percentage declines to 80% in years three and four, 60% in years five and six, 40% in years seven and eight and 20% in years nine and ten. If the exempt assessed value calculated in this manner is less than the Assessed Value Cap, that lesser amount will be exempted. If it is greater than the Assessed Value Cap, the exemption will be reduced to equal the Assessed Value Cap.

After the final year of the benefit period, the 421-a benefits end and the property becomes fully taxable, subject to the availability of other exemption or abatement benefits.

For purposes of projecting the 421-a benefits, we assumed the following:

Start of construction: August 1, 2011

Estimated first year of separate assessment: Year beginning July 1, 2013

Estimated completion of residential construction: February 1, 2014

Pre-construction assessed value: $1,507,906

Assessed Value Cap per unit for 2013/14 tax year: $75,353.

Number of residential units: 45

Approximate nonresidential and amenity floor area in excess of 12%: 0%

If HPD approves the application for 421-a benefits, and you pay the requisite filing fee, HPD will issue a Preliminary Certificate of Eligibility, which you must file with Finance. The delivery of the Preliminary Certificate of Eligibility to Finance is the basis for the construction period exemption, which may last up to three years and ends with the beginning of the tax year that follows the January 5 following the issuance of a final or temporary certificate of occupancy for the building that covers all of the residential units. The regular ten-year 421-a benefit follows the construction period.

If there are no unpaid taxes or charges, Finance will implement the benefits both prospectively and retroactively. The prospective implementation will generally occur on the next assessment roll published after the certificate is delivered to Finance, although there may be a delay until the next following tax due date, or occasionally longer. As there are no time constraints on HPD's review process, and Finance's processing time varies, we cannot predict when the determination of eligibility will be made or when benefits would be implemented. During the period prior to implementation Finance will bill taxes at the full amount without 421-a benefits and will charge interest at 18% if taxes are not paid when due.

If, as typically occurs, Finance receives the certificate well after the first tax year to which the 421-a applies, it will also recalculate the tax liability for each tax year affected by the 421-a exemption – generally, each tax year following the January 5 following commencement of construction. If the taxes paid in any year were less than the recalculated tax based on the 421-a minimum, pre-construction assessment, Finance may impose additional taxes retroactively; where this occurs it is usually for tax years

during the construction period before the new building is fully assessed. When full taxes have been paid and the 421-a benefits result in a lower tax liability, Finance will cancel the excess taxes paid, and either issue a refund to the person who paid the tax or transfer the credit to other open charges. If Finance cancels taxes for a period during which the units were separately assessed, the board of managers may act as agent for the distribution of the refunds or credits to the unit owners.

When the building has a temporary certificate of occupancy covering all of the residential units you may apply to HPD for the Final Certificate of Eligibility and must do so within 90 days and on or before the next occurring January 5, whichever first occurs. The application must include a certification by a CPA as to the audited costs of the project. If the final application is approved, and any additional filing fee paid, HPD will issue the Final Certificate of Eligibility, which you must also file with Finance. In current practice, HPD may take many months to review and approve the final application. It is also current practice for Finance to continue the exemption without interruption from the construction period through the following regular 421-a benefit period. It is possible that Finance will change its practice in the future, which might require that unit owners pay full taxes until the final 421-a certificate is issued, filed with Finance and implemented.

18. **Tax rate**

The City Council sets a tax rate for each tax class as part of the City's annual budget process. The building is now designated, and the residential units will remain, as Class 2 property. The commercial unit will be Class 4 property. The most recently established tax rates for Tax Class 2 and 4 properties are as follows:

Tax year	Class 2	Class 4
01/02	10.7920%	9.7120%
02/03	11.5405%	10.6780%
03/04	12.6200%	11.4310%
04/05	12.2160%	11.5580%
05/06	12.3960%	11.3060%
06/07	12.7370%	10.9970%
07/08	11.9280%	10.0590%

Tax year	Class 2	Class 4
08/09	12.5960%	10.2410%
09/10	13.2410%	10.4260%
10/11	13.3530%	10.3120%
11/12	13.4330%	10.1520%

Tax rates change annually. The factors affecting the tax rate are the amount of the annual tax levy required by the City's budget, subject to limits imposed by state law, the allocation of the tax levy among the tax classes, which is also regulated by state law, and the aggregate taxable assessed valuation of all property in the tax class, a product of the City's annual assessment process.

Tax rates for the various tax classes have changed both up and down over the 30 years during which the City has had separate class tax rates. Typically, annual rate changes are within a range of plus or minus 2% and vary by class, although greater increases affecting all classes have occurred in a few years when the City had a shortfall in revenues from other sources. Recently, Class 2 rates have been increasing and we expect that trend to continue for several years.

We have projected rates for future tax years by trending the most recently established rates.

The gross annual tax liability of the property and, upon separate assessment, each unit, is determined by multiplying the taxable assessed value by the applicable tax rate.

19. **Abatements**

The gross tax liability of each unit is potentially subject to reduction by an abatement program authorized by temporary provisions of state law applicable to New York City.

Through June 30, 2012, there is an abatement program that applies to condominiums that do not benefit from the 421-a, J51 or other building-wide exemption. In eligible buildings, the abatement applies to residential units except those owned by the sponsor or by a person who owns more than three units. The program is scheduled to expire after the 2011/12 tax year. However, the program was originally enacted in 1996 and has been extended several times. If it were extended again and the property did not receive 421-a benefits, the board of managers could apply for the abatement, which

would reduce the tax bill for individual unit owners by up to 17.5% under the terms of the current program. If the program is renewed, the requirements for eligibility and benefit levels might differ from the current program.

For purposes of this projection we have not applied any reduction of taxes on account of the availability of the condominium abatement.

20. Conclusion – projected real estate taxes

For the 2013/14 tax year, we have assumed that the units will be separately assessed and made separate projections for the residential and commercial portions of the building in anticipation that Finance will estimate market values separately for each portion.

Although we assume separate assessment for 2013/14 we do not know if that will in fact occur. Purchasers should be aware that until the units are separately assessed, there will be only a single tax bill for the entire property; purchasers may be required to pay a portion of the total bill based on the Common Interest Percentages assigned to their units, which may result in a greater tax than the tax based on this projection.

We provide values per square foot of gross building area as a means of evaluating the projected assessed full value for the condominium as a whole; they are not intended and cannot be used to project the taxes for individual units.

Projected real estate taxes for the residential units for the first year of operation are as follows:

Residential Condominium Units	
First year of condominium operation	7/1/2013- 6/30/2014
NYC tax year	2013/14
Valuation date	January 5, 2013
Condominium units	45
Gross floor area	139,068
Assessed full value per square foot	299.93
Assessed full value as if complete	41,710,000
Level of assessment	45.00%

Residential Condominium Units

Actual assessed value as if complete	18,769,500
Percent complete as of valuation date	75.00%
Actual assessed value	14,486,493
Transition assessment	14,317,472
Minimum: actual, transition	14,317,472
Pre-construction assessed value	1,421,668
Exemption base	12,895,803
Diminution for nonresidential area	0%
Exemption percentage	100%
Exempt assessed value before cap	12,895,803
Assessed value cap – per unit	75,353
Assessed value cap - total	3,390,877
Exempt assessed value after cap*	3,390,877
Exempt assessed value – aggregate*	3,247,349
Taxable assessed value	11,070,122
Tax class	2
Tax rate	13.703%
Tax without 421-a	1,961,924
Tax with 421-a	1,516,939

* The Assessed Value Cap is applied individually to each unit when the units are separately assessed. Therefore, the aggregate exempt assessed value may differ from the exempt assessed value computed for the building as a whole.

Projected real estate taxes for the commercial unit for the first year of operation are as follows:

Commercial Condominium Unit

First year of condominium operation	7/1/2013- 6/30/2014
NYC tax year	2013/14
Valuation date	January 5, 2013
Condominium units	1
Gross floor area	6,638
Assessed full value per square foot.	430.85
Assessed full value as if complete	2,860,000
Level of assessment	45.00%
Actual assessed value as if complete	1,287,000
Percent complete as of valuation date	75.00%
Actual assessed value	990,082
Transition assessment	979,829
Minimum: actual, transition	979,829
Pre-construction assessed value	86,238
Exemption base	893,591
Diminution for nonresidential area	0%
Exemption percentage	100%
Exempt assessed value before cap	893,591
Assessed value cap – per unit	75,353
Assessed value cap – total	75,353
Exempt assessed value after cap	75,353
Taxable assessed value	904,477

Commercial Condominium Unit

Tax class	4
Tax rate	10.213%
Tax without 421-a	100,070
Tax with 421-a	92,374

These conclusions are subject to the Limitations set forth above.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Stroock & Stroock & Lavan LLP

STROOCK & STROOCK & LAVAN LLP

421-A REAL ESTATE TAX OPINION OF STROOCK & STROOCK & LAVAN LLP

(See Real Estate Tax Opinion of Stroock & Stroock & Lavan LLP)

WORKING CAPITAL FUND AND APPORTIONMENTS

A. The Purchaser of each Residential Unit shall be required to make a contribution at the Closing of such Unit Owner's Unit(s) to the Working Capital Fund of the Residential Section. Such contribution shall be in an amount equal to two (2) month's Residential Common Charges in effect for such Residential Unit(s).

B. At the First Closing, Sponsor will apportion with the appropriate Boards the following items as of midnight of the date preceding said Closing:

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

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the General and Limited Common Elements;

(4) cost of fuel on hand (plus sales tax), if any;

(5) charges and receipts in connection with service, maintenance and concession contracts;

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Residential Units);

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any;

(9) management fees; and

(10) other customary adjustments.

C. Adjustments for prepaid expenses between Sponsor and the Board(s), if any, may be deducted from the Working Capital Fund. If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable or there are insufficient funds in the Working Capital Fund, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

D. The Working Capital Fund will be held and used for working capital, for closing costs and adjustments in connection with the Resident Manager's Unit, or for such other appropriate purposes as will be determined by the Residential Board and may be augmented by

allocations from the monthly Residential Common Charges collected from each Residential Unit. The Working Capital Fund will not be used to reduce Common Charges while Sponsor is in control of the Board.

E. The Residential Board will be able to utilize the money in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. There is no minimum amount set for the Working Capital Fund regardless of the amount of adjustments. However, in no event shall any portion of the Working Capital Fund be used to pay any Residential Common Charges including Residential Common Charges attributable to Unsold Residential Units.

F. In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make Special Assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, a Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws each Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

RESERVE FUND

A Reserve Fund for capital repair and other expenditures has been established for the Condominium. The Reserve Fund in the amount reflected in Schedule B may not be sufficient to meet the cost of any future repairs or replacements. If funds are required to meet such costs, it may be necessary to increase monthly Common Charges or institute a Special Assessment of Common Charges. The Reserve Fund has been established to meet the requirements of Fannie Mae and FHA, as more particularly described in Schedule B-"Projected Budget for First Year of Condominium Operation", in Part I of the Plan. There is no guarantee or assurance that the Reserve Fund will be provided for as a line item in the operating budget after the First Year of Condominium Operation, that it will be sufficient to satisfy the Fannie Mae or FHA requirements, or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The Condominium Board reserves the right, in its sole discretion (including without limitation, during the Sponsor Control Period), to use the Reserve Fund towards any purpose not prohibited by law and subject to the rights and obligations of the Condominium Board as set forth in the Declaration and By-Laws.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

A. The Condominium Board will enter into a management agreement (the "Management Agreement") with Rose Associates, Inc., having an address at 200 Madison Avenue, New York, New York 10016 (the "Managing Agent"), with respect to the Building at or prior to the First Closing. The principals of the Managing Agent are not affiliated with Sponsor or its principals.

B. The management agreement provides for a term of two years commencing on the First Closing. The Owner or Agent may cancel this Agreement on sixty (60) days written notice after the first anniversary of the Agreement. The Condominium Board Corporation may not assign the Management Agreement. The Managing Agent may assign the Management Agreement.

C. The Managing Agent will receive an annual fee of $85,000 during the first year of condominium operation and an annual fee of $90,000 during the second year of condominium operation. In addition, for services rendered to Residential Unit Owners (other than Sponsor or its designee) in connection with processing applications to sell or otherwise transfer Units and obtaining necessary waivers of the right of first refusal by any Boards, the Managing Agent shall receive the following fees from Residential Unit Owners (i) $750 upon the sale, lease or other transfer of a Unit for reviewing the waiver of the Condominium's right of first refusal and other required documents, (ii) $600 in connection with the processing of a lease application for a Residential Unit Owner, (iii) $450 in connection with the renewal of a lease application. In addition, refundable fees for move ins may be required of each Purchaser or tenant. Such fees may be retained by the Condominium in the event a Purchaser, tenant or their agents damages the Common Elements during the move in. The fees charged by the Managing Agent are consistent with fees charged with other managing agents managing buildings in Manhattan.

D. The Condominium Board shall reimburse the Managing Agent for all reasonable out of pocket expenses incurred by Agent in the performance of its duties under the Management Agreement including, but not limited to, messenger expenses and storage charges for the Condominium Board's documents and filing fees.

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

(1) cause to be hired, subject to Owner's approval, paid and supervised, all persons necessary to be employed in order to properly maintain and operate the common elements of the Building, who in each instance, shall be the Owner's and not the Agent's employees, and cause to be discharged all person unnecessary or undesirable, all subject to such Union contracts or other agreements concluded on behalf of the Owner with the Owner's prior approval;

(2) cause the common elements of the Building to be maintained in such a condition as may be deemed advisable by the Owner, including interior and exterior cleaning, and cause repairs to be made, including but not limited to, plumbing, steamfitting,

carpentry, elevator, decorating and such other incidental Alterations or changes therein as may be proper, subject only to the limitations contained in this Agreement. Ordinary Alterations involving an expenditure of over $5,000 for any one item which is not part of a previously approved Operating Budget or Capital Budget shall be made only with the prior approval of the President, Vice President, or Treasurer of the Owner, but emergency repairs, immediately necessary for the preservation or safety of the building, or for the safety of residents or other persons, or require to avoid the suspension of any necessary service in the Building, may be made by the Agent irrespective of the cost thereof, without the prior approval of the Owner, but with notice to the Owner as soon as practicable thereafter.

Except for emergency repairs, all repairs costing $5,000 or more shall only be undertaken after submission of at least two (2) independent contractor's bids. Repairs or capital improvements costing $10,000 or more shall require at least three (3) such bids;

(3) Recommend, and with the written approval of the Owner, cause all such acts and things to be done in or about the Building as shall be necessary or desirable to remedy any and all orders or violations affecting the premises, placed thereon by any federal, state, or municipal authority or violations affecting the premises, placed thereon by any federal, state, or municipal authority having jurisdiction thereover, and orders of the New York City Department of Buildings, the New York Board of Fire Underwriters, the new York Fire Insurance Exchange or other similar body, except that if failure promptly to comply with any such order or violation would or might expose the Owner or the Agent to criminal liability, the Agent may cause such order or violation to be complied with after attempting to consult with the President, Vice President or Treasurer of Owner, and subject to the limitation with respect to the amount of expenditure involved as contained in paragraphs (b) and (d) of this Article. The Agent is not to commence or to appear in litigation proceedings concerning the Building without Owner's written consent other than for non-payment of common charges.

(4) Solicit bids, negotiate, and enter into contracts, as agent for Owner, for electricity, gas, steam air conditioning, water treatment, elevator, telephone, window cleaning, rubbish removal, fuel oil, security protection, vermin extermination and other services or such of them as shall be advisable, but any such contract having a term longer than one year or requiring annual payments in excess of $5,000 must be authorized by the Owner in writing unless it is part of a previously approved Operating Budget or Capital Budget;

(5) Purchase all supplies which shall be necessary to properly maintain and operate the Building; make such contracts and purchases on behalf of the Owner, and (subject to the limitation set forth in paragraph (d) of this Article), credit to the Owner any discounts or commissions obtained for purchase;

(6) Advise Owner with regard to and cause to be effected and/or maintained, in such amounts and through such carriers as the Owner shall designate or approve: fire,

rent, boiler, water damage, liability, disability and any other insurance the Owner may elect to carry; and to cooperate with any in-house employee of Owner and/or any independent insurance broker or consultant that the Owner may designate or approve and engage for the purpose of effecting insurance and protecting its interest with respect thereto;

(7) Check and approval all bills received for services, work and supplies ordered in connection with maintaining and operating the Building. Pay, on behalf of the Owner, or cause to be paid al such bills, and also pay, on behalf of the Owner, water charges, sewer rent and assessments assessed with respect to the Building, if any, as wand when the same shall become due and payable;

(8) At the discretion of the Owner, carry out required procedures and give required notifications as set forth in the Plan, Condominium Declaration and By-Laws, in connection with the exercise of the right of first refusal on proposed sales or leases of units;

(9) Retain experts and consultants as required to conduct special studies, such hiring to be at the approval and expense of the Owner. No Counsel shall be retained without Owner's prior consent;

(10) Bill, or cause to be billed, commercial tenants, if any, for rent and Unit Owners for common charges, and other charges including late charges; use commercially reasonable efforts to collect such common charges, rent and other charges; and, when and if directed by the Owner, serve notices upon Unit Owners and tenants to quit and surrender space occupied by them. Also, when directed by the Owner, and on its behalf, sue for common charges, rent and other charges which may at any time be or become due to the Owner from any Unit Owner or tenant in respect of space in the Building; institute summary proceedings to recover possession thereof and with the consent of the Owner employ special counsel, if necessary, for any purposes, but no suit or summary proceedings to recover possession thereof shall be instituted unless the Owner's authorization thereof is first obtained.

(11) Provide Owner with copies of all correspondence in connection with the imposition of any non-payment action regarding the Building'

(12) Consider and, when reasonable, attend to the complaints of Unit Owners and tenants provided that if the Agent shall deem any complaints unreasonable, Agent shall so advise the Owner and give reasons for its opinion;

(13) Cause to be prepared and file the necessary forms for unemployment insurance, social security and withholding taxes, rent registration, building code fees, and all other forms required by any federal, state or municipal authority and any appeals thereof elected to be taken by Owner;

(14) Render monthly statements supported by disbursement vouchers and bills to the Owner, not later than the 20th day of each month, remitting the amount collected

during the previous month less disbursements made on behalf of and for the account of the Owner, including the Agent's compensation hereinafter specified, and less, also, all such amounts as in the Agent's best professional judgment it may be necessary to reserve or withhold to meet obligations due or which will or may become due thereafter and for which current income will not or may not be adequate. A copy of each such monthly statement shall be sent by the Agent to the officer or officers of the Owner as may be directed. A duplicate copy of bills paid from the Owner's account shall be attached to the copy of the statement sent to the Owner's Treasurer;

(15) Set up and keep in good order an accurate and full set of receipts and disbursements (other than books of account maintained by the Owner's accounts) for the Owner and maintain orderly files containing maintenance records, insurance policies and correspondence, receipted bills and vouchers, and all other documents and papers pertaining to the Building or the operation thereof, and the same shall be, and shall at all times remain the property of the Owner, and the Agent shall upon request of the Owner make same available to the other representatives of Owner. Maintain the Owner's minute book and other similar corporate records;

(16) In conjunction with the Owner's certified public accountant, arrange for the annual audit each year of books of account of the Building, including an annual report of the operations of the Building for the year then ended, and arrange for the filing of all required federal, state, city and other tax returns. If requested by Owner, a copy of such annual report will be sent to each Unit Owner;

(17) Prepare and submit annually to the Owner an operating budget setting forth the anticipated income and expenses of the Building for the ensuing fiscal year;

(18) Prepare and send out all letters and reports as the Owner may request;

(19) When requested by the Owner, send notices to directors, prepare agendas for and have a representative of the Agent's organization attend meetings of Unit Owners and meetings of the Board of Managers (one pre month) of the Owner, provided such meetings are held at reasonable times and reasonable notice is given. If requested by the Board of Managers, Agent will provide a Board meeting room at the Agent's office;

(20) Agent shall generally do all things reasonably deemed necessary or desirable by the Owner for the proper management of the Building. Notwithstanding, Owner reserves the right to initiate, modify, or institute policy whether or not specifically covered in the Agreement;

(21) Generally advise the Owner regarding ,and recommend procedures for compliance with respect to laws, rules, regulations and statutes concerning the ownership and operation of the Building'

(22) Process applications by Unit Owners in the Building for permission from Owner to alter their respective apartment, compile building plans and specifications, completion bonds, insurance certificates and other documents relating to the application and the proposed construction and forward such documents to the appropriate agents and officers of Owner, coordinate with Owner's superintendent and with the Unit Owner undertaking the alteration, the use of building services and equipment, if necessary. Agent, however, is not responsible for supervising the actual Alterations by Unit Owners or for verifying that the Alterations are performed in accordance with the proposed plans submitted o Owner or in accordance with applicable New York City Fire, Health, Building and other similar laws and codes relating to construction or Alterations. For processing apartment alteration applications, reviewing proposed plans of renovations, and monitoring as aforesaid (but not actually supervising the actual renovations by the Unit Owner), Agent is authorized to charge the Unit Owner a fee of $1000.00; and

(23) Supervise the moving in and out of Unit Owners and tenants, and, as far as possible, arrange the dates thereof so that there shall be a minimum of disturbance to the operation of the Building and of inconvenience to other Unit Owners and tenants.

F. 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.

G. The Management Agreement cannot be assigned without the written consent of the Condominium Board and the Managing Agent, except that the Managing Agent may assign the Management Agreement to an entity in which one or more of the principals are also principals of the Managing Agent.

H. Notwithstanding anything to the contrary set forth above, the Managing Agent's responsibility under the management agreement shall not extend to supervising or managing major capital renovations or major capital improvements, unless specifically agreed upon in writing by the parties and unless the Managing Agent receives an additional fee therefor. The Managing Agent, at the expense of the Rose Associates, Inc., will be bonded during the term of the Management Agreement under fidelity or general surety bonds in the amount of $100,000 in favor of Condominium for any loss resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees.

IDENTITY OF PARTIES

Sponsor

A. Sponsor is 200 East 79th Street LLC, a New York limited liability company with an office at 13-15 West 54th Street, New York, New York, 10019 formed on July 14, 2004.

B. The members of Sponsor are Leonard Wilf, Zygmunt Wilf, Mark Wilf, and Orin Wilf. The principals of Sponsor are Leonard Wilf, Zygmunt Wilf, Mark Wilf, and Orin Wilf, and have been involved in ownership, management and sale of real estate for a number of years. Under the auspices of Garden Homes Development, a private real estate company established in 1954 and based in New York and New Jersey, the Wilf family began constructing single-family homes in New Jersey. Under the present leadership of Leonard, Zygmunt, Mark and Orin Wilf, the family has continued to develop single-family homes, condominium towers, rental apartment complexes, retail centers, office buildings and hotels. Today, the Wilf family owns and manages in excess of 50,000 apartment units and over 25,000,000 square feet of retail centers, office buildings and hotels. With offices in New Jersey, New York, Tampa, Florida and San Diego, California and properties in over 37 states, Garden Homes Development is one of the largest builders of residential and commercial real estate in this country. Focusing on special projects such as the first private school in the Wall Street area to one of the finest planned communities in California in La Jolla, San Diego; the Wilf Family continues to develop real estate with the intention of improving the community.

C. The principals of Sponsor have not been involved in any condominium or cooperative offering plans for the last five (5) years and do not own ten (10%) percent or more of the unsold units or unsold shares in any building except as follows:

170 East End Avenue Condominium 170 East End Avenue New York, New York 10128	File No. CD05-0367

D. Principals of Sponsor are current in their obligations with respect to the foregoing properties.

E. There have been no prior felony convictions of Sponsor, or any principals of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Selling Agent

A. The Selling Agent for this offering is Stribling Marketing Associates, LLC, having an address at 924 Madison Avenue, New York, New York 10021. The Selling Agent has been involved in the sale of co-ops and condominiums in Manhattan a number of years.

B. There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent; and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Managing Agent

A. Rose Associates, Inc., having an office at 200 Madison Avenue, New York, New York 10016 will be the managing agent for the Building. (See the Section entitled "Management Agreement" in Part I of the Plan). The Managing Agent is not affiliated with Sponsor. The Managing Agent has been engaged in the development ownership, operation and management of New York City residential properties for a number of years.

B. There have been no prior felony convictions of the Managing Agent, or any principals of the Managing Agent; and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of the Managing Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

C. A list of properties which have been managed by the Managing Agent include: The Grand Millennium Condominium 1950 Broadway, New York, New York; Georgetown Plaza 60 East 8th Street, New York, New York; One Fifth Avenue, New York, New York; 1000 Park Avenue, New York, New York; Trafalgar House, 188 East 70th Street, New York, New York; Continental Towers, 301 East 79th Street, New York, New York; 3 Lincoln Center 160 West 66th Street, New York, New York.

Attorneys for Sponsor

Sponsor has retained the law firm of Stroock & Stroock & Lavan LLP, having an office at 180 Maiden Lane, New York, New York 10038 to represent it in connection with the Plan. Stroock & Stroock & Lavan LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Residential Unit deed and Power of Attorney and has also rendered an opinion in connection with the estimated valuation of the Property for real estate tax purposes and to represent it in connection with its application for Section 421-a benefits and compliance with Section 339-i of the Real Property Law. Michel Evanusa, Esq. had principal responsibility for the preparation of the Plan. Stroock & Stroock & Lavan LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor's Architects/Engineers

A. The design architect for the Building is Cetra/CRI Architecture, PLLC, having an office at 584 Broadway, New York, New York 10012 which has had extensive experience in residential design and overall planning.

B. WSP Cantor Seinuk, having an address at 228 East 45th Street, New York, New York 10017, is the structural engineer.

C. MG Engineering, P.C., having an office at 116 West 32nd Street, New York, New York 10001, are the mechanical, electrical and plumbing engineers for the Building.

Sponsor's Energy Expert

A. MG Engineering, P.C., having an office at 116 West 32nd Street, New York, New York 10001, prepared the estimates of energy usage by individual Residential Unit Owners set forth in Part I of the Plan.

Sponsor's Condominium Expert

Rose Associates, Inc., having an address at 200 Madison Avenue New York, New York 10016, estimated all amounts of income and expenses in Schedule B, "Projected Budget For First Year of Condominium Operation," in consultation with Sponsor and provided its opinions regarding the adequacy of the Budget and the adequacy of the Common Charges payable by the Commercial Unit Owners.

Service of Process

A. The Secretary of State of the State of New York has been designated to receive service of process for Leonard Wilf, who is not a resident of New York State.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give Unit Owners annually:

(1) a financial statement of the Condominium prepared by a certified public accountant within four months after the end of each fiscal year, which statement shall be certified while the Sponsor is in control of the Condominium Board;

(2) prior notice of the Annual Unit Owner's meeting; and

(3) a copy of the proposed annual budget of the Condominium which shall be delivered to Unit Owners at least five (5) days prior to the adoption thereof.

For so long as Sponsor controls the Condominium Board, Sponsor will have the annual budget of the Condominium certified in accordance with 13 NYCRR 20.4(d).

RECORDATION, INSPECTION AND DELIVERY OF DOCUMENTS

A. Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six (6) years from the date of the First Closing, without charge and for copying for a reasonable charge. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

B. The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be recorded in the City Register's Office.

GENERAL

A. The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Residential Unit deed, form of Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, by any rider or separate agreement changing or adding provisions to such document.

B. There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Residential Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

C. No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party (including without limitation, parties purchasing from Purchasers) shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

D. Sponsor reserves the right, from time to time, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default or Event of Default, nor unilaterally change the purchase price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material amendment to the Plan that adversely affects the Purchasers, Sponsor must grant Purchasers the right of rescission and a reasonable period of time that is not less than fifteen (15) days after the date of presentation of said amendment to exercise the right. Escrow Agent shall promptly return any Deposit, together with any interest thereon, to Purchasers who rescind, except that Escrow Agent shall return to Sponsor the Deposit (and any interest thereon) of any Purchaser who is in default under the Agreement beyond any applicable grace period.

E. In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by Law.

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

G. No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Property and the Building have not been the subject of any prior public offerings, however, Sponsor has previously tested the market pursuant to Cooperative Policy Statement No. 1, File No. CP-11-0044.

SPONSOR'S STATEMENT OF BUILDING CONDITION

A. Sponsor hereby adopts the Description of Property and Specifications or Building Conditions set forth in 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 except as set forth in the description therein.

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

PART II

200 EAST 79TH STREET CONDOMINIUM

200 EAST 79TH STREET

NEW YORK, NEW YORK

EXHIBIT "1"

AGREEMENT

AGREEMENT

200 EAST 79TH STREET LLC

Sponsor-Seller

TO

[_____]

Purchaser

UNIT NUMBER [_____]

200 East 79th Street Condominium
200 East 79th Street
New York, New York 10075

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UNIT NUMBER(S) [_____]

200 East 79th Street Condominium
200 East 79th Street
New York, New York 10075

(to be executed in quintuplicate)

This agreement (the "Agreement"), made as of the date on the signature page of the Agreement, between 200 East 79th Street LLC, a New York limited liability company, having an office at 13-15 West 54th Street, New York, New York 10019 ("Sponsor"), and

_____], having an address at

[_____] ("Purchaser").

W I T N E S S E T H:

1. The Plan

Purchaser acknowledges having received and read a copy of the Offering Plan for 200 East 79th Street Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received and had an opportunity to read the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date Purchaser signs and delivers this Agreement to Sponsor. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding except where such provisions were requested by Purchaser and agreed to by Sponsor.

2. Definitions

Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

3. The Unit

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit ("Unit") to be designated as Unit __ in the Plan, together with the Common Interest appurtenant equal to %.

4. Purchase Price

The purchase price for the Unit ("Purchase Price") is $_____.

A. The Purchase Price is payable as follows:

(i) $_____ (the "Initial Deposit"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged.

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

(iii) $_____, constituting the balance of the Purchase Price, payable on the delivery of the deed as hereinafter provided.

B. Checks for the Deposit shall be made payable to "Stroock & Stroock & Lavan LLP, Escrow Agent." If any Deposit check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void *ab initio* and of no further force and effect, may institute an action against Purchaser for the collection of the Deposit as liquidated damages or may declare an Event of Default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Section 15 hereof.

C. The payment of the balance of the Purchase Price shall be made by official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association or, at Sponsor's election, upon not less than two (2) days' prior written notice, by wire as directed by Sponsor with instructions thereof provided by Sponsor to Purchaser. Funds drawn on out-of-state or foreign banks or New York bank or trust companies which are not a member of The New York Clearinghouse Association will not be accepted in payment of the Purchase Price unless otherwise agreed by Sponsor. If payment of the balance of the Purchase Price is being made by check, such check shall be made payable to the direct order of "200 East 79th Street LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice.

5. Closing of Title

A. The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on notice served not less than thirty (30) days' prior to the scheduled date for closing. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser. In the event of such adjournment, a closing may be rescheduled by Sponsor upon written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing. In the event this Agreement is executed after the First

Closing (as such term is defined in the Plan), the closing of title shall occur thirty (30) days after the date of this Agreement.

B. The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

C. The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser.

6. Delivery of the Deed and Power of Attorney

A. At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes in the manner more particularly described under "Closing Costs and Adjustments" in Part I of the Plan, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by law, all of which shall be prepared by Sponsor.

B. (i) Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed hereto as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (x) timely submit the Unit Deed, all New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" ("transfer taxes") and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (y) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed and transfer tax forms and remit the payment of the required transfer taxes in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency.

(ii) In the event the Title Agreement is not delivered as set forth above, (x) Purchaser hereby indemnifies the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency; and (a) Purchaser shall pay, at closing, the sum of $3,000 (the "Filing Deposit") with Stroock Stroock & Lavan LLP ("Stroock"), which funds may be used by Sponsor (y) to pay legal fees, at Stroock's usual and customary rates, to monitor the recording of the Unit Deed and the filing of the transfer tax forms and remitting payment of the required transfer taxes, and represent Sponsor in connection with any failure to file the Unit Deed and transfer tax forms and remit

payment of the required transfer taxes in connection with the conveyance of the Unit to Purchaser in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency or take any action with respect to the failure to file and remit same; and (c) pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the Filing Deposit is not a maximum payment in the event the Unit Deed and transfer tax forms are not filed and/or the payment of the required transfer taxes are not paid in a timely manner. This paragraph 6(B) shall survive Closing.

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

D. The deed and power of attorney to the Condominium Board, Residential Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

E. Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Internal Revenue Service and (ii) each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with Internal Revenue Code §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

F. If Purchaser is a foreign government, Purchaser shall deliver to Sponsor the notification of approval to the transaction from the Department of State as required by the Foreign Missions Act, 27 U.S.C. 4305 ("FMA") as more particularly set forth in Section 46 hereinbelow.

7. Fee Title

At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any unpermitted encumbrance shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) any title insurance company licensed to do business in New York, is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8. Closing Adjustments and Real Estate Taxes

A. Subject to Section 15 hereof, the following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(i) 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;

(ii) Residential Common Charges for the month in which title closes; and

(iii) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

B. If closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date, the adjustments and collection of taxes under Section 8(A)(i) hereof and future tax payments shall be as described in the Article of the Plan entitled "Closing Costs and Adjustments."

C. If Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question.

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

E. At Closing, all Purchasers of a Unit who are a government or governmental mission, or a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America (individually, a "Government Entity" and collectively, the "Government Entities") may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under the Declaration and By-Laws for the payment of Common Charges and/or assessments and otherwise ("Security").

F. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

G. Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery.

H. The provisions of this Section 8 shall survive the Closing.

9. Mortgage Recording Tax Credit

If Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor a sum equal to the partial mortgage recording tax credit to which Purchaser may be entitled pursuant to §339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgages(s). Alternatively, Sponsor may require, in its sole discretion, that if Purchaser, finances the purchase of the Unit with a loan secured by a mortgage (the "Mortgage"), Purchaser must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Mortgage as determined by Sponsor. Upon such assignment, the Mortgage will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of the exemption and accordingly, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings which would otherwise result from the availability of such exemption whether or not Purchaser's lender agrees to take the mortgage by assignment. If Purchaser's lender does not agree to take the mortgage by assignment, Purchaser will be required to pay the mortgage recording tax twice.

10. Closing Costs

In addition to those costs and adjustments described in Sections 8 and 9 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11. Deposit

The Deposit made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law (the provisions of which are set forth in Part II of the Plan and deemed incorporated herein by reference) and Sections 352-e(2-b) and 352-h of the General Business Law of the State of New York. Any Deposit received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by Law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Deposit, if any. Purchaser will be taxed accordingly on such interest.

12. Binding Effect of Declaration, By-Laws and Rules and Regulations

Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

13. Agreement Subject to Mortgage

No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

14. Purchaser's Representations

Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at any time, such documents evidencing Purchaser's authority and the authority of Purchaser's signatory as may be required by Purchaser's title company or Sponsor. Purchaser acknowledges and agrees that Sponsor may desire to obtain certain information about Purchaser's (or Purchaser's principals) character, general reputation, personal characteristics and mode of living prior to counter-executing this Agreement. In order to permit Sponsor to comply with the requirements of the Fair Credit Reporting Act, Purchaser hereby authorizes Sponsor, whether or not Sponsor has counter-executed this Agreement, to obtain such information and to retain a credit reporting agency to obtain such information. The Controlling Party (as defined under Section 24 of this Agreement) is and shall remain personally liable for Purchaser's obligations under this Agreement.

15. Default by Purchaser

A. The following shall each constitute an "Event of Default" hereunder:

(i) Purchaser's failure to pay (a) the Deposit or any portion thereof when due or (b) the balance of the Purchase Price on the date designated by Sponsor for closing the Unit; or

(ii) Purchaser's failure to duly complete and sign before a notary public and deliver at Closing the power of attorney or the New York State and City transfer tax returns; or

(iii) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(iv) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(viii) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(ix) The failure to pay, perform or observe any of Purchaser's other obligations hereunder.

B. **TIME IS OF THE ESSENCE** with regard to Purchaser's obligations to pay the Additional Deposit and the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If there is any Event of Default, Sponsor shall give notice to Purchaser of such Event of Default. If such Event of Default shall not be cured within thirty (30) days thereafter, **TIME BEING OF THE ESSENCE**, Sponsor may either (i) terminate this Agreement by notice of termination to Purchaser and retain the Deposit and all other sums deposited by Purchaser under this Agreement, together with interest earned thereon as liquidated damages, it being acknowledged and agreed that it is extremely difficult and impracticable to ascertain the extent of detriment to Sponsor caused by the breach by Purchaser under this Agreement and the failure of the consummation of the transaction contemplated by this Agreement or the amount of compensation Sponsor should receive as a result of Purchaser's breach or default; or (ii) bring an action against Purchaser for specific performance; or (iii) terminate this Agreement by notice of termination to Purchaser and bring an action for damages; or (iv) exercise all other remedies available to Sponsor at law or in equity. Upon termination of this Agreement, Purchaser shall have no further rights thereunder, and Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be

incurred by Sponsor. The provisions of this Section 15.2 shall survive a termination of this Agreement.

B. If Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of same, (a) the closing apportionments described in Section 8.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.05% (at an annual percentage rate of 18.25%) of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

C. The provisions of this Section 15 shall survive termination of this Agreement.

16. Closing Contingent Upon Plan Being Declared Effective

A. The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

B. If the Plan is abandoned or if after being declared effective the Plan will not be consummated for any reason, this Agreement will be deemed canceled and the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, will be disbursed to Purchaser, subject to Sponsor's rights to retain the Custom Work Costs (and the right, at Sponsor's option, to commence an action against Purchaser for the Custom Work Costs). After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

17. Sponsor's Inability to Convey the Unit

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy will be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so

elects to terminate this Agreement, Sponsor will, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's right to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor. Upon making such payment, this Agreement will be terminated and neither party hereto will have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it will be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

18. Fixtures, Appliances and Personal Property

Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit.

19. Acceptance of Condition of Property

A. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) the "punch list" items in the Unit (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit provided that Sponsor delivers a Temporary Certificate of Occupancy for the Unit. The Unit and the fixtures and personal property contained therein, if any, are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree or except as otherwise provided herein. Following service of the closing notice set forth in Section 5 of this Agreement, the Purchaser of a Unit accompanied by a representative of Sponsor, shall have the right to inspect such Unit prior to the Closing Date on such date and at such time designated by Sponsor upon no less than five (5) business days notice that the Unit is available for inspection and Sponsor reserves the right to postpone and/or reschedule any scheduled inspection(s) of the Unit upon one (1) business day's notice and Sponsor reserves the right to schedule additional inspections as Sponsor deems necessary or appropriate. If Purchaser fails to inspect the Unit within said period(s), Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. The failure of Sponsor to complete "punchlist work" shall not be a ground for Purchaser delaying the Closing provided that Sponsor agrees to complete such "punchlist work" promptly after Closing. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser and agreed to by Sponsor on an inspection statement. Sponsor is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty

Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality. Sponsor's obligation, regardless of any limitations in the Plan or this Agreement, is to construct the premises in accordance with all applicable codes and files plans and specifications, and any conflict between the disclaimers and the Sponsor's obligation to construct the Property in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control. In no event will Sponsor be liable for incidental or consequential damages in connection with the items set forth in this subsection (whether based on negligence, breach of contract, warranty, or otherwise).

B. The Purchase of a Unit does not entitle the Purchaser thereof to conduct any testing in the Unit including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose.

C. Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), except as more as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

D. Notwithstanding the foregoing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces. The provisions of this Section shall survive the closing of title.

20. Damage to the Unit

If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

A. Sponsor shall bear the risk of loss to any Unit (but not to any portion of the Common Elements) by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an Interim Lease or written agreement with Sponsor, at which time such risk to the Unit (but not to any portion of the Common Elements) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement,

provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Common Elements and the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the subject Unit. In such event, Sponsor shall provide at least three (3) months notice to Purchaser of its intent to restore. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor.

B. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws, the Agreement will be deemed canceled and of no further force and effect and Escrow Agent will return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's right to retain the Custom Work Deposit (to the extent that the Custom Work has been performed and/or materials have been ordered and Sponsor's right, exercisable at Sponsor's option, to commence an action against Purchaser for such Custom Work Costs), and whereupon the parties to this Agreement shall be released and discharged from all obligations and liability hereunder and under the Plan; provided, however, notwithstanding anything to the contrary contained herein, if there is an Event of Default or Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain the Deposit and the Custom Work Deposit (to the extent that the Custom Work has been performed and/or materials have been ordered and the right, at Sponsor's option, to commence an action against Purchaser for the Custom Work Costs), together with any interest earned thereon, as and for liquidated damages.

21. No Representations

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Residential Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on such Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. The provisions of this Section shall survive the closing of title.

22. Prohibition Against Advertising and Selling

Prior to the closing of title to the Unit, Purchaser shall not list the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent. In addition, if Purchaser shall not be purchasing the Unit for its own occupancy, Purchaser may not advertise, list or sell the Unit for twelve (12) months after acquisition of the Unit (provided however, such limitation shall not apply from and after the date that the Sponsor conveys title to all of the Residential Units). Any purported sale or lease of a Unit consummated in violation of this Section 22 shall be voidable at the election of the Sponsor and if the Sponsor shall so elect, the Purchaser shall be deemed to have authorized and empowered the Sponsor to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Purchaser as the owner or landlord, as the case may be. Purchaser shall reimburse the Sponsor for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings and such expenses shall be a lien on such Unit until said expenses are paid and/or satisfied. The provisions of this Section shall survive the closing of title.

23. Broker

Purchaser represents to Sponsor that Selling Agent Sponsor and [ ] (collectively the "Broker") is [are] the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by the Broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Section 23 shall survive the closing of title.

24. Agreement May Not Be Assigned

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor.

A. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement and shall be subject to the provisions, prohibitions and terms of this Section concerning assignment of this Agreement. For purposes of this Agreement, it is the intent of the part(ies) that the individual(s) controlling Purchaser shall be deemed to be _____ (the "Controlling Party"). By execution of this Agreement, it is acknowledged and agreed that the Controlling Party is and shall remain personally liable for Purchaser's obligations under this Agreement.

B. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser will be required to pay Sponsor's Counsel a fee of $1,000, in advance, for preparation of an assignment agreement.

C. Any purported assignment by Purchaser in violation of this Agreement will constitute an Event of Default hereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor.

25. Binding Effect

This Agreement shall not be binding on Purchaser or Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within thirty (30) days after delivery by Purchaser of an executed Agreement by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the deposit paid on the execution hereof shall be promptly returned to Purchaser.

26. Notices

Any notice, request, letter, consent or other communication hereunder or under the Plan (other than amendments to the Plan which shall be served in accordance with the Plan or documents for which the method of notice and or delivery is otherwise set forth in the Plan) shall be in writing and delivered by regular mail as well as hand delivered or sent, postage prepaid, by registered or certified mail, by facsimile or by Federal Express or other reputable overnight courier, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, Attn.: Michel Evanusa, Esq. in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. All notices, requests or other communications which may be or are required to be given, served or sent by any party hereto to any other party hereto shall be deemed delivered (a) upon delivery, if delivered in person, (b) upon the date deposited for overnight delivery with any reputable overnight courier service, or (c) upon the date deposited in any post office or mail depository regularly maintained by the United States Postal Office and/or sent by regular, registered or certified mail, postage paid. However, with respect to any "change of address" notification, the date of actual receipt of such notification shall be deemed the date of such notice. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself (including, without limitation, any notices of closing or default which Sponsor's counsel is hereby expressly designated and empowered to issue). A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication. Notwithstanding anything to the contrary, notices regarding closing costs or ministerial matters, the rescheduling of Closing Dates or the scheduling or rescheduling of inspections may be made by facsimile to each party's attorneys.

27. Joint Purchasers

The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

28. Performance by and Liability of Sponsor

Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Department of Law of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed. The provisions of this Section shall survive closing of title.

29. Further Assurances

Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. The provisions of this Section shall survive the closing of title.

30. Agreement Not Contingent Upon Financing

The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Section 4 of this Agreement, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance Purchaser's purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

31. Costs of Enforcing and Defending Agreement

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending or enforcing Sponsor's rights under this Agreement or in the event of an Event of Default or if Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise defending or enforcing Purchaser's obligations hereunder. The provisions of this Section shall survive the closing of title or earlier termination of this Agreement.

32. Severability

If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby.

Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law. In order to preclude any application of the Rule Against Perpetuities which would otherwise invalidate and nullify this Agreement, the parties agree that this Agreement shall expire, unless otherwise previously terminated, on the day which is the earlier of (i) twenty-one years after the date of this Agreement or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Deposit and all interest accrued thereon shall be returned to Purchaser. The provisions of this Section shall survive the closing of title or earlier termination of this Agreement.

33. Strict Compliance

Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser. The provisions of this Section shall survive the closing of title or earlier termination of this Agreement.

34. Governing Law

The provisions of this Agreement shall be governed by and construed in accordance with the Laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of Law. The provisions of this Section shall survive the closing of title or earlier termination of this Agreement.

35. Waiver of Jury

EXCEPT AS PROHIBITED BY LAW, THE PARTIES SHALL, AND THEY HEREBY DO, EXPRESSLY WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN THIS AGREEMENT OR THE RELATIONSHIP CREATED HEREBY. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING OF TITLE OR EARLIER TERMINATION OF THIS AGREEMENT.

36. Entire Agreement

This Agreement together with the Plan constitutes the entire agreement between the parties and supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof. The provisions of this Section shall survive the closing of title or earlier termination of this Agreement.

37. Certain References

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless

the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement. The provisions of this Section shall survive the closing of title or earlier termination of this Agreement.

38. Captions

The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof. The provisions of this Section shall survive the closing of title or earlier termination of this Agreement.

39. Rule of Construction

There shall be no presumption against the draftsman of this Agreement or the Plan. The provisions of this Section shall survive the closing of title or earlier termination of this Agreement.

40. Successors and Assigns

The provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

41. No Oral Changes

This Agreement cannot be changed or terminated and no provision waived orally. **ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.**

42. Counterpart Signatures

This Agreement may be executed in any number of counterparts, any one of which shall constitute an original of this Agreement. When counterparts have been executed by all parties, they shall have the same effect as if the signatures to each counterpart were upon the same documents and shall be deemed valid as originals. The parties agree that all such signatures may be transferred to a single document upon the request of any party. This Agreement shall not be binding unless and until it shall be fully executed and delivered by all parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date: _____
(To be inserted after execution by Sponsor)

SPONSOR:

[redacted]

By: _____
Name:
Title:

PURCHASER:

_____

(Social Security or Federal I.D. Number):
Telephone No.:

For purposes of this Agreement, it is acknowledged and agreed that the undersigned is the controlling individual of the Purchaser and shall remain personally liable for Purchaser's obligations under this Agreement:

_____
[Insert Name]

_____

(Social Security or Federal I.D. Number):
Telephone No.:

SCHEDULE A
PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Purchaser to the Residential Board, and the Floor Plans; as all of the same may be amended from time to time.

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

4. Any easement or right of use in favor of any utility company for construction, use, Maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

5. Revocability of licenses for vault space, if any, under the sidewalks and streets.

6. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

7. Leases and service, Maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

8. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

9. The lien of any unpaid assessment payable in installments (other than assessments levied by the Residential Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

10. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any Law or requirement of the New York City 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.

11. Any encumbrance as to which a New York Board of Title Underwriters member title insurance company would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

12. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Residential Unit for residential purposes.

13. Any lease covering the Unit made from the Sponsor to the Purchaser.

14. Any violation against the Property (other than the Unit) which is the obligation of the Residential Board, Commercial Board, Condominium Board, or another Unit Owner to correct.

15. Any title exceptions noted in the Specimen Title Policy set forth in Part II of the Plan.

TERRACE RIDER TO AGREEMENT

Re: Unit No. _____
_____ ("Purchaser")
200 East 79th Street Condominium (the "Condominium")
200 East 79th Street
New York, New York 10075

THIS TERRACE RIDER TO AGREEMENT made as of the _____ day of _____, ____ by and between 200 East 79th Street LLC, a New York limited liability company, having an office at 13-15 West 54th Street, New York, New York 10019 ("Sponsor") and _____, having an address at _____ ("Purchaser").

WITNESSETH:

1. This Rider (the "Rider") amends and modifies that certain Agreement (the "Agreement") by and between Sponsor and Purchaser with respect to the above referenced Unit in the Condominium. In case of any inconsistencies between any of the terms and conditions of the Agreement, including any handwritten modifications thereto, and the terms and conditions of this Rider, the terms and conditions of this Rider shall prevail. All of the paragraphs and provisions contained in this Rider are incorporated into the Agreement and made a part thereof with the same force and effect as if therein originally contained.

2. There is appurtenant to the Unit a Terrace which has been designated as a Residential Limited Common Element.

3. Purchaser acknowledges the following:

(i) that a building maintenance unit will be utilized by the Condominium to clean the exterior of the windows of the building;

(ii) the building maintenance unit, including without limitation, storage chests, washing rigs, ropes and related equipment, ("BMU") may be stored and/or placed temporarily on the Terrace during operation of same;

(iii) the BMU has been designated as a General Common Element for use by the Condominium and the Condominium Board will have an easement to access the Terrace from within or without the Unit for the purpose of temporarily storing, launching and operating the BMU from the Terrace as more particularly described in the Plan and the Declaration and By-Laws;

(iv) Purchaser will not be permitted to locate or store any furniture and/or other fixture on any Terrace which may, in the discretion of the Condominium Board, interfere with the use or operation of the BMU;

(v) Purchaser's right to the use of the Terrace will be subject to the right of the Board to regulate its use and subject to rights of access to the Terrace;

(vi) Purchaser will be responsible for all normal maintenance, repairs and replacements to the Terrace,

(vii) Purchaser may be required to obtain the consent of the Board to the installation of plantings, surface coverings and other furniture, equipment and installations on the Terrace, and may be required, in certain circumstances, to remove same at Purchaser's sole cost and expense, all as more particularly described in the Plan and the Declaration and By-Laws.

4. All terms not defined herein shall have the meanings ascribed to them in the Plan or in the Agreement.

5. Except as expressly modified hereby, the terms and provisions of the Agreement remain unchanged and in full force and effect.

6. The provisions set forth in this Rider shall expressly survive closing of title to the Unit and shall be binding upon all of Purchaser's successors and/or assigns.

IN WITNESS WHEREOF, the parties have executed this Rider as of the date below.

DATE: _____
(To be inserted by Sponsor after countersignature by Sponsor)

SPONSOR

200 East 79th Street LLC

By: _____
Name:
Title:

PURCHASER

_____

_____

EXHIBIT A

FORM OF TITLE INDEMNITY

[TITLE UNDERWRITER LETTERHEAD]

Dated:

_____
_____
_____

Re: 200 East 79th Street Condominium
200 East 79th Street
New York, New York 10075 (the "Premises")
Purchaser: _____

Ladies and Gentlemen:

In connection with the sale of certain units (the "Units") at the referenced Premises, you have asked for certain assurances regarding the recordation by [title underwriter] _____ ("TitleCo") or an abstract company or other person or entity selected by TitleCo (any of the foregoing, a "Title Closer") of the deeds for the Units and related documentation, including, without limitation, mortgage related documents (the "Closing Documents"), the payment of New York City and New York State transfer taxes (including the New York State Additional Tax pursuant to Article 31 of the Tax Law) due in connection with such conveyances and mortgage recording taxes or other fees, if applicable (collectively, the "Tax Payments"), for which TitleCo is insuring title.

As of the date hereof, TitleCo agrees to hold harmless and indemnify [Sponsor/Seller] _____ and Stroock & Stroock & Lavan LLP and their respective agents, representatives, members, affiliates and the like (each, an "Indemnified Party") from and against all losses, liabilities, judgments, damages, costs and expenses that an Indemnified Party may incur or suffer from the failure of TitleCo or a Title Closer to (a) record the Closing Documents for any of the Units and submit the Tax Payments for any of the Units in a timely manner from the dates of conveyances for the Units, and (b) do such other act as a reasonably prudent title company of Title Closer would perform.

[Name of Title Underwriter]

By:

Name:
Title:

EXHIBIT "2"

POWER OF ATTORNEY

UNIT OWNER POWER OF ATTORNEY

Terms used in this Unit Owner's Power of Attorney ("Power of Attorney") which are used (a) in the declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as "200 East 79th Street Condominium (the "Condominium") and by the street number 200 East 79th Street, New York, New York 10075 under Article 9-B of the Real Property Law of the State of New York, dated _____, and recorded in the Office of the Register of the City of New York New York, County of New York on _____, under CRFN #_____, as the same is amended, restated or supplemented at any time, or (b) in the By-Laws of the Condominium ("By-Laws") attached to, and recorded together with, the Declaration, as the same is amended, restated or supplemented at any time, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, the owner of the Condominium Unit (the "Unit") in the Condominium, which is designated and described in the Declaration as the "_____ Unit" and also designated as Tax Lot _____ in Block 1433 of Section _____ of the Borough of Manhattan on the Tax Map of the Department of Finance of The City of New York and on the Floor Plans, and hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) to acquire or lease any Unit, together with its appurtenant interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its appurtenant interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, (c) to acquire any Unit, together with its appurtenant interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, and (d) to enforce of Condominium Board's lien for unpaid Common Charges; (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board, with respect to the General Common Elements deem necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition, construction, alteration, repair or restoration of the General Common Elements or (b) any consent, covenant, restriction,

easement or declaration, or any amendment thereto, affecting the General Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board, as applicable, shall constitute the acts of said attorneys-in-fact.

I hereby nominate, constitute and appoint the Declarant (a/k/a the Sponsor under the Offering Plan for the Condominium), true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete construction of the Building or perform any other work agreed to in writing by Declarant to the Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Units and/or the reapportionment of the Common Interests of the Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by (a) a lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, referred to as a "Permitted Mortgagee" in the Declaration, (b) any title insurance company selected by Declarant to insure title to any Unit; (c) any governmental agency having regulatory jurisdiction over the Condominium, (d) any title insurance company selected by Declarant to insure title to any Unit, or (e) to effectuate the rights of Declarant under the provisions of the Offering Plan for the Condominium, the Declaration and By-Laws.

This Power of Attorney shall be irrevocable.

(SIGNATURES FOLLOW ON NEXT PAGE)

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 20__.

Name:_____

STATE OF NEW YORK)

) ss.:

COUNTY OF NEW YORK)

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 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 }
COUNTY OF NEW YORK } ss.:

On the ____ day of _____ in the year 20___. 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 upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On the ____ day of _____ in the year 20__. 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 upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

AFFIDAVIT OF EFFECTIVENESS

STATE OF NEW YORK
COUNTY OF } SS.:

_____, residing at _____ (each) being duly sworn do(es) depose and say that I am (we are) the Agent(s) under the above Power of Attorney and that the power of attorney is in full force and effect. That (a) I/we do not have, at the time of the transaction, actual notice of the termination or revocation of the Power of Attorney, or notice of any facts indicating that the power of attorney has been terminated or revoked; (b) I/we do not have, at the time of the transaction, actual notice that the Power of Attorney has been modified in any way that would affect the ability of the Agent to authorize or engage in the transaction, or notice of any facts indicating that the Power of Attorney has been so modified; and (c) if I/we was/were named as successor Agent(s), the prior Agent(s) is no longer able or willing to serve. This affidavit if given for the purpose of the Agent executing a _____ [describe documents that are executed] knowing that _____, will rely upon the representations made herein as inducement to accept such instrument(s) and this Power of Attorney as evidence of my/our authority to act.

_____
Agent

_____
Agent

Sworn to and Subscribed before me
this _____ day of _____, _____

_____
(Notary Sign above and Affix Stamp)

EXHIBIT "3"

RESIDENTIAL UNIT DEED

RESIDENTIAL UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20__, between 200 East 79th Street LLC, a New York limited liability company, having an office at 13-15 West 54th Street, New York, New York 10019 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (the "Unit") in the premises known as 200 East 79th Street Condominium and by the street number 200 East 79th Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Residential Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County office of the Register of The City of New York (the "City Register's Office") on _____, in Reel _____, page ____, and also designated as Tax Lot(s) ____ in Block 1433 of Section 05 of the Borough of Manhattan on the Tax Map of the New York City Department of Finance, Division of Land Records, Tax Map Unit and on the Floor Plans of said building, certified by _____, on _____, 20 , and filed in the New York City Department of Finance, Division of Land Records, Tax Map Unit on _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20 , as Condominium Map No. ____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the by-laws of 200 East 79th Street Condominium. (Said by-laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws.")

Together with the Common Interest appurtenant thereto in the amount of (as such term is defined in the Declaration):

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration regarding such invalidity shall control.

Except as otherwise specifically permitted by the Residential Board or provided in the Declaration or the By-Laws, the Residential Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date:
(To be inserted after execution
by Sponsor)

200 East 79th Street LLC

By:
Name:
Title:

_____
Grantee

_____
Grantee

(ACKNOWLEDGMENT)

EXHIBIT A

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

ADD DESCRIPTION

SCHEDULE B

PERMITTED ENCUMBRANCES

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "4"

DESCRIPTION OF PROPERTY

200 EAST 79TH STREET
NEW YORK, NY
DESCRIPTION OF PROPERTY AND SPECIFICATIONS OR BUILDING CONDITIONS

THE FOLLOWING REPORT WAS PREPARED BY THE OFFICE OF
CETRA/CRI Architecture, PLLC ON 15 JULY, 2012

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ADDRESS:	200 East 79th Street New York, New York Block: 1433 Lot: 45
STRUCTURAL ENGINEER:	WSP Cantor Seinuk 228 East 45th Street, 3rd Floor New York, N.Y. 10017-3303
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This Report was prepared for the Sponsor for inclusion in an offering plan for conversion of the property to condominium units. The Report is based on (a) a visual inspection of the existing spaces and mechanical equipment and a description of the proposed work to be performed as deemed necessary, but not, unless otherwise stated herein, any tests or penetration into existing walls, ceilings, floors, etc. or removal of any remaining structural or mechanical elements. It is understood that not all aspects of the physical condition of the Property can be ascertained from a visual inspection alone, and (b) information provided by the Sponsor and/or his representatives.

This Report fairly describes the condition of the building and proposed improvements on the Property as of the date of the inspection with respect to those facts which could be ascertained from a visual inspection at that time, except as noted herein. This Report provides a general description of the Property, interior spaces and mechanical equipment and a fair summary of their general condition, but is not intended to be a complete detailed list of every piece of equipment or of their condition. Emphasis is on their condition at the time of the inspection including deficiencies probably unknown to occupants, rather than description of material make-up usually obvious to residents.

The contents of this Report are correct to the best of my knowledge and belief. This Report and the conclusions stated herein are, however, limited to actual knowledge based upon visual inspection, undertaken with due diligence, of visible portions of the Property and information voluntarily supplied by the Sponsor. No representation is made, however, as to the truth, completeness or accuracy of this information.

This Report is not to be construed as a guarantee or warranty. It is not intended or prepared for the purpose of fixing a value to the Property or as an option as to the advisability to purchase the condominium units being offered pursuant to the Sponsor's Offering Plan.

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A. LOCATION AND USE OF PROPERTY

The property is located in Manhattan, on a lot that is part corner lot and part interior through lot on the South side of East 79th Street and the East side of Third Avenue. The site consists of a partial sub-cellar, a cellar, plus nineteen story building, with floors numbered 1-12 and 14-20.

1. Address: 200 East 79th Street, New York, New York
2. Block and lot number: Block: 1433; Lot: 45
3. Zoning: the property lies within a, R10A District, with a C1-5 Overlay, as shown on Map 8c of the Zoning Resolution of the City of New York.
4. Permissible use: Commercial (Use Group 6) and Multiple Dwelling (Use Group 2).
5. Quality Housing Program: The building is subject to the New York City Quality Housing Program and will comply with all regulations for bulk, interior environment, and recreation areas under that program.

B. STATUS OF CONSTRUCTION

1. Year built: The building is currently under construction. It is anticipated that the building will be substantially completed on or about September 2013 unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire, explosions, or elements or any other cause over which the Sponsor has no control.
2. Class of construction: The Building will be classified as Construction Class1B (Non-Combustible). The Plans for the new building were filed under Application Number 120231855 with the Department of Buildings. Permit Number 120231855-01-NB has been issued for the Construction of this Project by the Department of Buildings.
3. Certificate of Occupancy: The Sponsor shall construct the Building and shall obtain a temporary or permanent "Class A" Residential Certificate of Occupancy which shall cover each Residential Unit prior to the Closing of title to such Unit. In the event that a permanent Certificate of Occupancy has not been obtained by such Closing, Sponsor is subsequently obligated to obtain same. Pursuant to the policies of the New York City Department of Buildings, a temporary Certificate of Occupancy for a multiple dwelling may be issued for 90 day periods, renewable up to at least two (2) years from initial issuance. Sponsor expects that the Building will be completed in all respects necessary for the issuance of a permanent Certificate of Occupancy within such two (2) year period, barring force majeure or other reasons beyond Sponsor's control.
4. Where materials, appliances, equipment, fixtures and other construction and design details are specified in this report, Sponsor has reserved the right to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality.

C. SITE

1. Size: Site Area: The area of the land is approximately 8,684 SF. The building has been developed using development rights transferred from the adjacent lot of 14,304 SF. The total area of the combined zoning lot is 22,988 SF
2. Number of Buildings and Use: One (1) existing building on the adjacent lot, from which development rights are being transferred, will remain. There will be one (1) new

building with a partial sub-cellar, a cellar, plus nineteen stories, numbered 1-12 and 14-20, with commercial use on the ground floor and in the cellar.

3. Streets owned or maintained by the project: None

4. Drives, Sidewalks and Ramps
   i. Paving: The condition of the existing asphalt street is acceptable. The concrete sidewalk condition is acceptable. Concrete sidewalks will be replaced with new concrete in accordance with the requirements of the New York City Department of Transportation.
   ii. Curbing: The steel faced curb condition is inadequate. Curbs will be replaced with steel-faced curbs in accordance with the requirements of the New York City Department of Transportation.
   iii. Catch Basins, drainage: none.
   iv. Street Lighting: none.
   v. These items are in conformity with local codes, The condominium will be responsible for maintaining the sidewalks in accordance with the requirements of the Department of Transportation and any other authorities having jurisdiction.

D. UTILITIES

1. Water: Potable water shall be supplied from the New York City public water system via a new 4" water service from 79th Street. The service is metered at the point of entry with a single Master City Meter. Fire Protection Systems shall be supplied from the New York City public water system via a new 6" Fire Service from 79th Street. Water service provided to the Building (including the Residential Units and in the common areas of the Building) will be levied on the basis of Master City Meter and borne by the Residential Unit Owners as a common expense. Water to the Commercial Unit will be individually sub-metered, and the respective costs will be borne by the Commercial Unit Owners.

2. Sewer: As permitted and approved by NYC DEP, a new 10" combined building sewer exits the building into the existing NYC DEP combined storm/sewer system on 79th Street. Sewer service from the Building (including the Residential Units and in the common areas of the Building) will be levied on the basis of Master City Meter and borne by the Residential Unit Owners as a common expense.

3. Natural Gas: Gas service shall be supplied via a new 6" Con Edison gas main entering the building from 79th Street. Any gas consumed for cooking shall be metered by a single Con Edison meter and borne by the Residential Unit Owners as a common expense. Any gas consumed for domestic hot water shall be metered by a single Con Edison meter and borne by the Residential Unit Owners as a common expense. Any gas consumed for heating (to the boilers and roof top heating/ventilation units) shall be metered by a single Con Edison meter and borne by the Residential and Commercial Unit Owners as a common expense. Gas to the Commercial Unit(s) will be individually metered, and the respective cost will be borne by the Commercial Unit Owners. The emergency generator will be separately metered.

4. Electric: A new electrical service consisting of 120/208 volt, 3-phase, 60 Hz will be provided by Consolidated Edison Company (Con Ed) from the 3rd Avenue. The service will enter the building at the cellar level at the 3rd Avenue and will be terminated at main electric service and distribution equipment. The electricity consumed by the Residential Units shall be directly and individually metered by Con Ed. The electricity consumed by the Commercial units shall be metered individually by Con Edison. The electricity consumed for the common areas and central systems serving the Building shall be separately metered by Con Ed as a common expense.

5. Telephone: A communication company, initially Verizon, shall install and maintain telephone service entering the building underground. Every Unit Owner will be required to pay their associated telephone charges and initial charges for activating individual outlets in the Unit. The telephone charges with respect to the public areas of the Building (such as the concierge's desk, resident manager's office, maintenance offices and shops, etc.) will be borne by all Unit Owners as a common expense.

6. Cable Television" Time Warner, Verizon, or other carrier shall install and maintain cable service entering the building. Every Residential Unit Owner who desires to obtain such service will be required to pay the cable company for activating the wiring in their Unit and for installing appropriate outlets in the same. Thereafter, the Unit Owner will be required to pay a monthly service charge to such service provider, which will vary depending upon the services subscribed to by the Unit Owner.

E. SUB-SOIL CONDITIONS

1. The foundations will consist of Concrete Mat Foundation system resting over virgin soil or properly prepared sub-grade with an allowable bearing capacity of 6-tons/ft^2. The basement levels will be surrounded by conventional fourteen & twelve inches thick reinforced concrete foundation walls. No sub-grade drainage is to be provided. Ground water is approximately 12 feet below the sidewalk grade, above the bottom of the foundation.All basement areas will be protected with a waterproofing membrane at the exterior wall face and under the Mat Foundation. The mat and foundation walls are designed to resist any hydrostatic pressures.

2. The site is outside the FEMA flood zone as indicated on FEMA maps.

F. LANDSCAPING AND ENCLOSURES

1. Grass Cover: None
2. Plantings: None
3. Trees: Trees: Street trees and tree pits are proposed as follows.
   a. Number: 2 new along 79th Street; 1 new and 1 existing along 3rd Avenue
   b. Species: Gledistia Triaconthos Var. Inermis "Shademaster Honeylocust" along 79th Street; Zelkova Serrata "Village Green" along 3rd Avenue.
   c. Caliper: 2-1/2"-3" for all proposed,

d. Tree Pits: Granite blocks set in mortar and aligned with sidewalk measuring 5' x 7' along 79th Street and 4' x 7' along 3rd Avenue.

4. Gates: None.
5. Fencing: None
6. Garden Walls: None.
7. Retaining Walls: None.
8. Display pools and Fountains: None

G. BUILDING SIZE

1. Total height: the building's height from average sidewalk elevation to the top of roof over the 20th floor is approximately 207 feet.

2. Crawl Space: None

3. Cellar: Full - approximately 15'-0" below the first floor. Sub-cellars: Partial – approximately 12'-0" below the cellar.

4. Number of Floors: There is a partial Sub-cellar level , a Cellar level plus nineteen full floors and bulkhead above the roof for the stairs and elevator machine room. The final floor numbering for the building will not include a 13th floor. The residential unit floors will be numbered as follows:

Construction Floor Number	Marketing Floor Number
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	14
14	15
15	16
16	17
17	18
18	19
19	20

All references to floor numbers in this report will reference the marketing floor numbers inidicated in this chart.

5. Equipment Rooms: Primary building mechanical rooms are located at the sub-cellar and cellar levels and at the roof.

6. Parapet heights are a minimum of 3'-6".

H. STRUCTURAL SYSTEM

1. The foundations will consist of Concrete Mat Foundation system resting over virgin soil or properly prepared sub-grade with an allowable bearing capacity of 6-tons/ft^2. The basement levels will be surrounded by conventional fourteen & twelve inches thick reinforced concrete foundation walls. All basement areas will be protected with a waterproofing membrane at the exterior wall face and under the Mat Foundation and foundations are designed to resistant hydrostatic pressures. Drainage panels are being provided outside of the waterproofing membrane on all foundation walls.

2. Structural System: The structure consists of a reinforced cast in place concrete flat plate construction. The residential floors will be a minimum eight inch thick "Flat Plate" that will be supported on columns and shear walls. The Building will be laterally supported by shear walls/frame interaction system and is designed based on the provisions of the New York City Building Code.

3. Exterior of Building

   i. Walls: Walls are typically precast concrete panels. Along the East 79th Street and 3rd Avenue frontages, at grade, those panels are faced with 3" thick granite. Above that granite base, the panels are faced with 3" thick limestone up to the 4th floor. Above that level and on all other facades of the building, the precast concrete panels are exposed. A minimum thickness of 2" of mineral wool insulation is to be applied to the interior of the precast panels on all faces. In board of that insulation, interior furring, in the form of 2-1/2" metal studs, provides the framing for the interior gypsum board finish. A portion of the South facing wall will be brick veneer cavity wall. A minimum thickness of 2" of insulation will be provided in the wall cavity. Bulkhead walls and the single story wall facing the adjacent property to the South will be painted cement plaster stucco applied over self-furring metal lathe and 2-1/2" thick rigid insulation. The composite r-values of the different wall assemblies differs but they all contribute to a complete building envelope complying with the NYC Energy Code. The exterior walls have a minimum insulating value of R-19. Local Law # 11/98 requires that all facades of a building must be inspected for stability. This being a new building it must be examined 5 years after the completion of construction.

   ii. Windows: aluminum frame, thermally broken windows set into precast concrete wall panels, manufactured by Pioneer Windows. Operable sashes are awning or casement type operation by a latching, manual push handle, out-swinging; no window screens; no window guards, but limiters to prevent the window from being opened more than 4", as approved by the Department of Health; and no storm sash. The selection of glass will comply with the NYS Energy Code. The 4" opening capability of the designated windows will meet the ventilation requirements for the habitable room served. There are no lot line windows proposed. Windows will carry a standard manufacturer's limited warranty for manufacture and installation for a period of 5 years.

   iii. Landmark Status: The building is not a designated landmark nor in a landmark district.

4. Parapets and copings: Parapets and copings are either precast concrete, to match the wall panel system, or formed aluminum. Glass railing systems are being provided where required for additional height. All exterior metal finishes, flashings, and fasteners are to be corrosion resistant.

5. Chimneys and caps:
   a. Natural gas fired fireplaces are being provided in units 19A and 20A. Each of those fireplaces will have its own double walled stainless steel chimney extending above the roof.
   b. One combination stainless steel double wall domestic water heater/boiler flue extends from the sub-cellar through the roof. The inner duct is fabricated from 24 gauge stainless steel, the outer shell is fabricated from 22 gauge 304 stainless steel AL29-4C, and there is an air gap of 1" between the inner duct and the outer shell.

6. Balconies and terraces: Terraces will be created from building setbacks on floors 16, 17, 18, and 19. One additional terrace is being provided at the 20th floor. All terrace units will have pavers on a pedestal system – installed with open joints to permit proper drainage.
   a. Deck Finish: see H. 9. i. of this report entitled Roof
   b. Balustrade: see H. 2. of this report entitled Parapets and copings.
   c. Railings: see H. 7. v.c. of this report entitled Railings.
   d. Copings: see H. 2. of this report entitled Parapets and copings.
   e. Soffits: None.
   f. Doors to terraces: new aluminum and glass swinging doors and frames. All doors, fasteners, and flashings are to be corrosion resistant metals.
   g. Drains: see H.9.ii of this report.

7. Exterior Entrances: The primary residential entrance to the lobby is on East 79th street and there is a second entrance that serves as a service entrance and means of egress for the building to East 79th Street. There is one entrance for the Commercial Unit on 79th Street and one entrance for the Commercial Unit on 3rd Avenue. Lighting is to be provided over or adjacent to all exterior entrances to maintain the code required minimum lighting levels.
   i. Exterior doors and frames: Entrance doors are bronze with tempered glass, swing doors. Service entrance is bronze clad hollow metal door. The primary entrance to the residential lobby is controlled by electric lock interconnected with door release controlled from the inside by concierge, or from the outside by a unit owner or occupant with a proximity device. The doors are operated by fixed vertical push/pull bars. The inner vestibule door is an automatic bi-parting door, opened by a proximity sensor, which can be switched off be the concierge during off hours. During those hours, the doors can be unlocked by a unit owner and operated manually. All exterior doors are to comply with all relevant accessibility codes and standards.
   ii. Vestibule doors and frames: automatic bi-parting bronze and tempered glass doors – activated by an occupancy sensor.
   iii. Exterior stairs: None.
   iv. Railings: None.

v. Mailboxes: heavy gauge aluminum with powder-coat finish front-loading type as approved by the US Post Service, located on the First Floor off the residential lobby.
vi. Lighting- lighting at the primary residential entrance is canopy lighting and overhead lights in the soffit.

8. Service entrances- see item 7 above.

9. Roof and Roof Structures
   i. Type new roofs for all areas:
      a. Material: new 2-ply modified bitumen, consisting of a fully welded 160 mil thick cap sheet installed over a fully welded 120 mil base sheet
      b. Insulation: 3" minimum polyisocyanurate or 4" minimum extruded polystyrene at terrace levels to achieve a minimum R19. .
      c. Bond or guarantee:20 years, material and labor, by supplier from date of completion of the roof installation.
      d. Flashing materials: stainless steel or flexible membrane to match the roofing membrane.
      e. All metal flashings and fasteners are to be corrosion resistant.
   ii. Drains:
      a. Location, material, and type: there are cast iron roof drains on all setback floors. Control flow drains will be installed at the main roof.
      b. Gutters and leaders: storm water is collected to a series of interior leaders, which are located within the building. An exterior formed copper gutter is being provided on the brick veneer on the South facing wall.
   iii. Skylights: none.
   iv. Bulkheads:
      a. One bulkhead roof over Stairs 'A' & 'B', constructed of cast-in-place reinforced concrete
      b. Elevator machine room, constructed as per item 7. iv. a, above.
      c. Other: none.
   v. Metal work at roof levels-
      a. Exterior, metal stairs: there will be open riser steel stairs with pipe railing to the elevator machine room from the roof over the 20th floor.
      b. Vertical ladders: there will be a steel ladder to the elevator and stair bulkhead roofs.
      c. Railings: The railings are glass and metal mounted on the back of the parapets.
      d. Hatches to roof: one painted steel.
      e. Other: HVAC equipment will sit on steel dunnage or curbs. Steel dunnage is to be provided with one prime coat plus two finish coats of paint. Vibration isolation will be provided for each piece of mechanical equipment at the roof. Cooling towers are supported on springs with 4" deflection, rooftop AC units are supported on springs with 2-1/2" deflection, and exhaust fans are supported on springs with 2" deflection.
   vi. Roof facilities: None.

10. Fire Escapes:
   i. Location: None

ii. Floors covered: None
iii. Drop ladder: None
iv. Type: None
v. Materials: None

11. Yard and Courts: There is a court area approximately 30' wide and 40' deep on the southeast side of the building over the roof the first floor.
    i. Paving: precast concrete unit pavers on pedestals
    ii. Drainage: concealed cast iron roof drains below the paved surface
    iii. Railings: None.
    iv. Stairs: None
    v. Fencing: None
    vi. Walls: None

12. Interior Stairs
    i. Number of stairs of each type: there are two non-combustible scissor stairs specified for general egress.
        a. Stair 'A'- from the sub-cellar to the roof of the building.
        b. Stair 'B'- from the cellar to the roof of the building.
        c. Stair 'C'- from the sub-cellar to the 1st floor.
    ii. Enclosure: Egress- the stairs are enclosed in gypsum wallboard construction or equal offering two-hour fire protection as required. They are painted on the interior.
    iii. Stair construction: Egress- concrete.
    iv. Stringers: Egress- concrete.
    v. Treads: Egress- concrete.
    vi. Risers: Egress- concrete.
    vii. Guard rails: Egress-steel, primed and painted pipe rail, 1-1/2" diameter.
    viii. Balustrades: Egress- None.

13. Interior Doors and Frames
    i. Unit entrance and interior doors and frames: unit entrance- 'C' label, ¾ hour rated F.P.S.C. solid core wood paneled doors and hollow metal frames; Interior- solid core wood paneled doors and frames, which are not required to be rated.
    ii. Corridor doors and frames: hollow metal doors and frames, non-combustible, fire ratings as required by Code.
    iii. Stair hall doors and frames: hollow metal doors and frames, non-combustible, 'B' Label, 1-1/2 hour rated F.P.S.C.
    iv. Roof doors, cellar doors and frames: hollow metal doors and frames, non-combustible, fire ratings as required by Code.

14. Elevators
    i. Number of Elevators: two (2) handicap accessible passenger elevators (PE 1 and PE 2) serving the residential units. PE 2 accommodates an ambulance stretcher as required by the Building Code. One (1) service elevator.
    ii. Manufacturer, age and capacity: Manufactured by Hollister-Whitney; New; Passenger- (1)- 2,000 pound capacity (PE1); (1)- 3,000 pound capacity (PE2); Service (1)- 3,000 pound capacity.
    iii. Type of operation: The elevators are automatic self-service elevators. Passenger elevators- 400 fpm. Service elevator 125fpm.
    iv. Automatic: push button controlled.

v. Floors served: Passenger elevators- C, 1–20. Service elevator- SC, C, 1.
vi. Type: Passenger elevators - geared traction. Service elevator – holeless hydraulic.
vii. Doors: Passenger - automatic single sliding. Service – two speed side opening.
viii. Location of machine rooms: Passenger - roof over the shaft. Service – hydraulic pump room at SC adjacent to the shaft.
ix. DC motor: none
x. AC motor- variable voltage variable frequency motor drives: 208 volts, 3 phase, 60Hz, manufactured by Hollister-Whitney or equal.
xi. Other: Air conditioning and heating in the machine room for the two passenger elevators will be provided by a split air-cooled direct expansion system with and electric heating coil. Unit cooling is 2.5 cooling tons; heating capacity is 19 MBH. Code required smoke relief system provided for elevator shafts is comprised of exterior louvers with motorized dampers.

15. Elevator Cabs
    i. Floor: stone tile
    ii. Walls: wood, oil rubbed bronze grille over mirror and wood veneer
    iii. Ceiling: painted gypsum panels
    iv. Lighting: fluorescent
    v. Alarm, safety system: all elevators will be equipped with all necessary alarm and safety features to meet Local Law #5, firemen's service code, including emergency recall, pushbutton alarm, emergency stop, and hand's free emergency telephone.
16. Building Maintenance Unit (BMU)
    i. A Building Maintenance Unit (BMU) is being provided on the main roof of the building. This BMU is designed to provide access by means of a suspended work platform to each side of the building for window washing and other building maintenance. This suspended work platform is lowered from BMU by means of a hoist located at the roof level and a custom designed telescoping boom, which allows for full building coverage with a minimal footprint on the roof. Intermittent stabilization anchors are to be provided in each façade of the building at approximately every third floor (in height) to restrain the platform within working distance of the façade. This system is compliant with all Local, State and Federal Code Requirements for this Industry.

I. AUXILIARY FACILITIES

1. Laundry Room:
    i. Location: 1 Laundry Closet in each unit, 1 common laundry room at cellar.
    ii. Clothes washer: see W. 3. Kitchen & Laundry.
    iii. Clothes dryer: see W. 3. Kitchen & Laundry.
    iv. Room ventilation: none at laundry closets in units, 300 cfm at common laundry room at cellar.
    v. Dryer ventilation: Ventilation for dryers will be provided at common laundry room and at Units 19A and 20A.

2. Refuse Disposal
    i. Incinerator: none.
    ii. Compactor: A new extruder compactor by Wilkinson, or equal.
    iii. Approvals: none required.

iv. Initial storage: in an enclosed, ventilated and temperature controlled room in the Cellar. Then taken directly to curb on designated pick-up days.
v. Pick-up schedule: Public pick-up of the refuse is at the curbside at a frequency determined by the New York City Department of Sanitation.

3. Recreation Facilities:
   i. Common building Recreation Areas will be provided at the Cellar and at the 2nd floor as described under item T below.
4. Tenant's Storage Bins:
   There will be 39 storage bins in the cellar. The storage bins are made with heavy duty wire mesh partitions and wire mesh lockable doors. The areas of thee storage bins are measured to the centerline of the enclosure wire mesh partition.

Storage Bin	Size	Clear Height (MIN)
SB-01	33 SF	7 FT 6 IN
SB-02	28 SF	7 FT 6 IN
SB-03	28 SF	7 FT 6 IN
SB-04	23 SF	7 FT 6 IN
SB-05	23 SF	7 FT 6 IN
SB-06	37 SF	7 FT 6 IN
SB-07	44 SF	7 FT 6 IN
SB-08	37 SF	7 FT 6 IN
SB-09	31 SF	7 FT 6 IN
SB-10	36 SF	7 FT 6 IN
SB-11	36 SF	7 FT 6 IN
SB-12	35 SF	7 FT 6 IN
SB-13	42 SF	7 FT 6 IN
SB-14	30 SF	7 FT 6 IN
SB-15	33 SF	7 FT 6 IN
SB-16	33 SF	7 FT 6 IN
SB-17	33 SF	7 FT 6 IN
SB-18	30 SF	7 FT 6 IN
SB-19	29 SF	7 FT 6 IN
SB-20	31 SF	7 FT 6 IN
SB-21	30 SF	7 FT 6 IN
SB-22	34 SF	7 FT 6 IN
SB-23	33 SF	7 FT 6 IN
SB-24	33 SF	7 FT 6 IN
SB-25	33 SF	7 FT 6 IN
SB-26	37 SF	7 FT 6 IN
SB-27	34 SF	7 FT 6 IN
SB-28	32 SF	7 FT 6 IN
SB-29	34 SF	7 FT 6 IN
SB-30	37 SF	7 FT 6 IN
SB-31	34 SF	7 FT 6 IN
SB-32	33 SF	7 FT 6 IN
SB-33	33 SF	7 FT 6 IN
SB-34	30 SF	7 FT 6 IN

SB-35	30 SF	7 FT 6 IN
SB-36	30 SF	7 FT 6 IN
SB-37	30 SF	7 FT 6 IN
SB-38	30 SF	7 FT 6 IN
SB-39	32 SF	7 FT 6 IN

J. PLUMBING AND DRAINAGE

1. Domestic Water System: Domestic water shall be provided via a new 4 inch domestic service from the New York City public water system. The water pressure is to be boosted by means of a new automatic duplex constant pressure booster system located in the cellar. The new booster system shall contain duplex pumps, a pneumatic pressure tank and automatic pressure controls to maintain water pressure in building. The domestic water service will be provided with a meter and backflow prevention. Domestic water shall be distributed throughout the building via new mains, branches and risers and hot and cold water piping shall be insulated throughout. Actual insulation thicknesses will depend on pipe size and insulation material. Material and thickness of insulation for hot and cold water piping will be in accordance with the requirements of the NYCECC. Domestic water below and above ground shall be Type L hard copper tubing.

2. Fire Protection System.
   i. Standpipes: The building shall be provided with a new combination standpipe/sprinkler system; with a New York City approved hose valve connection to a 500 GPM new automatic fire pump located in the cellar level, fire pump room. The fire protection system is via a new 6" fire service with a backflow preventer from the existing the New York City public water system. The system shall be constructed of Schedule 40 screwed and Schedule 10 (sprinkler piping 2 ½" and over) rolled grooved black steel pipe. The building will be fully sprinklered in accordance with New York City Building Code and NFPA 13/2002. In each stair there will be one 6" fire stand pipe. In stair "B" combination fire stand pipe with sprinkler floor control assembly and 2 ½" fire hose valve on each floor. In stair "A" fire stand pipe with 2 ½" fire hose valve on each floor.
   ii. Hose racks, hoses and nozzles: New 2 ½" hose valves and fire hose cabinets shall be provided on all floors below grade. New 2 ½" hose valves shall be provided on each floor. Hoses with New York City approved nozzles shall be stored in a locked cabinet in the building lobby as per NYC Code for R-2 occupancies.
   iii. Sprinkler heads: Sprinklers supplied from the combination fire standpipe sprinkler risers will be provided with a new floor control valve with a tamper switch, water flow alarm and inspectors test rig at each floor. Standard pendant heads connected to the sprinkler system shall be provided in the trash compactor room and within the trash chute as required by New York City Building Code.
   iv. Siamese connection: Two combination standpipe/sprinkler Siamese connections will be provided. One is located at Third Avenue and one at East 79th Street.

3. Water storage tank(s) and enclosures: None

4. Water pressure and how maintained: to provide a minimum of 30 psi at all fixtures- duplex constant-pressure booster system located at the cellar, manufactured by Peerless Pump Company and including a 158 gallon cushion tank manufactured by Amtrol.

5. Sanitary sewage system: Sanitary water shall be collected by means of a series of no-hub cast iron sanitary and vent stacks with duplex ejector pumps located in the cellar for the sub-gravity system.
   i. Sewage piping: no-hub cast iron above ground and hub and spigot below grade.
   ii. Sewage pumps: Duplex ejector pumps, 80 GPM each @ 36 ft. head.
   iii. Sewage disposal: 10" combined house sewer exiting to 79th street.

6. Permit(s) required: Sewer and water connection applications have been filed with the NYC Department of Environmental Protection. Permits to be obtained by plumbing and sprinkler contractors.

7. Storm drainage system: Storm water shall be collected by means of a series of roof-mounted drains and cast iron hub and spigot piping system, which is located in the building interior, and discharged, into the new 10" combined sanitary/storm water system exiting to 79th street. Storm water flow will be restricted by means of control drains. Maximum 2" water will be stored on the roof and will be discharged by means of roof drains with adjustable weirs to meet NYC DEP requirements.
   i. Catch basins: none
   ii. Yard and Roof drains: yard drains- none; terrace and roof drains are cast iron body type.
   iii. Piping: no-hub cast iron above ground and hub and spigot below grade.
   iv. Sump pumps: Duplex sump pumps will be located in the sub-cellar for underslab piping from garage drains.
   v. Two sump pumps in two elevator pits shall be installed.

8. Domestic hot water for the residential units shall be provided by duplex gas-fired heaters, manufactured by ARCO. Each heater is rated for 1,000,000 btu/hr input, 1,116 GPM recovery at 40-140 degrees F. Water heaters will be warranted for a period of 10 years. Two tankless instant water heaters, manufactured by Chronomite, will be provided for the two lavatories in the commercial unit.

K. HEATING

1. Heating: The primary form of heating in the building shall be water-source heat pump units. The heat pump units absorb heat from a heat pump water loop. Heat shall be added to the heat pump water loop via gas fired hot water boilers located at in the mechanical equipment room in the sub-cellar. Hot water circulating pumps will inject hot water in the heat pump water loop to maintain temperature during heating operation. Perimeter bathrooms and master bedrooms will be provided with supplemental electric heating. Entrance vestibule, entrance to stairwells and the tops of stairwells and exits to the roof are to be heated with electric resistance type heaters or cabinet unit heaters. The heating system shall

be capable of maintaining space temperatures of 68 degrees when the outdoor temperatures are not less than 11 degrees. The system is designed to meet the New York City and New York State Energy Codes.

2. Number of boilers and description: three (3) gas-fired condensing boilers.
3. Manufacturer of boilers: AERCO, Model # BMK 2.0 LN. Input for each boiler is 2000 MBH. The boiler will be warranted for a period of 7 years.
4. Manufacturer of burners: AERCO or approved equal. The burner will be warranted for a period of 2 years.

5. Type of controls: boilers will be provided with an automatic control system that will stage the boilers to maintain water temperature set point in the heat pump loop. The controls will be warranted for a period of 2 years.

6. Fuel: Natural Gas, only. Provided by Con Edison.

7. Location of oil tank: not applicable.

8. Capacity of oil tank: not applicable.

L. GAS SUPPLY

1. Type: gas service is provided to the residential units for cooking ranges, boilers, roof-top air handlers, domestic water heaters and emergency generator.

2. Meters: There will be one common meter for residential unit gas cooking ranges. There will be one meter for building heating via the boilers and rooftop (corridor and home office) ventilation/heating units. There will be one meter for domestic hot water heater. There will be one meter for emergency generator. Valved and plugged outlets shall be provided for future meters in the gas meter room.

3. Gas boosters will be provided to accommodate required pressure for building heating equipments and domestic water heaters.

4. Piping: black steel Schedule 40 pipe with threaded malleable iron fittings for low pressure piping 3-inch and smaller; welded joints for low pressure piping over 3-inch. High pressure piping upstream of pressure regulators to be welded and radiologically examined.

M. AIR CONDITIONING

The primary form of cooling in the building shall be via water-source heat pump units rejecting heat to a heat pump water loop. Separate package water-cooled or air cooled HVAC units or water source heat pumps will be provided for main entrance lobby and miscellaneous areas such as the elevator machine rooms, telephone rooms, etc. Cooling, heating and ventilation of corridors will be provided by roof top packaged air cooled direct expansion unit with gas fired heating coils. The air conditioning system is designed to meet all requirements of the New York State Energy Code. All air conditioning distribution ductwork will be insulated in conformance with the Energy Code.

1. Type of System: water-source heat pump units rejecting heat to a heat pump water loop.

2. Central system: One cooling tower pump (second pump is standby) shall circulate water through the cooling tower side of the heat exchanger. One heat pump water loop pump (second pump is standby) shall circulate water through the heat pump water loop side of the heat exchanger. The condenser water pumps sizing will be based on the peak "bulk" cooling load for the residential units of the Building and commercial unit, calculated in accordance with ASHRAE Guide recommendations and the New York State Energy Code. Condenser water system sized to provide condenser water (180 GPM water flow) for 1st floor Retail Tenant through 4" condenser water supply and return piping outlets.

3. Cooling tower: There will be a one (1) cooling tower with two (2) cells on the roof. The cooling tower shall be similar to Evapco, Model AT26-917 or equal. Unit shall be rated at 85°F LWT, 78°F WB ambient air. Rooftop piping will be insulated and electrically heat traced to prevent freezing.

4. Individual units: Individual units are designed to meet all requirements of New York State Energy Code. Cooling capacities are based on ASHRAE and ARI conditions of 89 degree F DB/73 degree WB outside, 76 degree F DB/63 degree F WB inside air. Individual residential units will be provided with water source, electrically driven heat pump units of capacities shown on plans. Numbers of units of each type as shown on plans; EER ratings and amperage as indicated on table above meeting or exceeding requirements of New York State Energy Code. Heat pump units were sized for the estimated individual peak cooling-heating requirements of each residential unit. Thermostats are remote programmable electronic wall mounted type, to control each individual heat pump unit corresponding heating or cooling as required.

5. Water source heat pumps shall be as follows:

Symbol	Manufacturer/ Model (or Equal)	CFM	Condenser Water Data - Water Flow (GPM)	Cooling Capacity (Total MBH)	Heating Capacity	Total Unit F.A.	EER
HP-A	Climate Master/ TRM-009	349	2.0	7.9	12.3	5.1	13
HP-B	Climate Master/ TRM-012	345	2.6	9.9	15.3	6.0	13
HP-C	Climate Master/ TRM-015	595	3.3	12.4	19.5	6.6	13

200 EAST 79TH STREET
NEW YORK, NY
DESCRIPTION OF PROPERTY AND SPECIFICATIONS OR BUILDING CONDITIONS

Symbol	Manufacturer/ Model (or Equal)	GPM	Condenser Water Data - Water Flow (GPM)	Cooling Capacity (Total MBH)	Heating Capacity	Total Unit KW	EER
HP-D	Climate Master/ TRM-018	591	3.9	14.6	22.0	7.6	13
WSHP-1	Climate Master/ TCH-060	2100	14	52.9	91.8	31.2	13.1
WSHP-2	Climate Master/ TCV-060	1650	12.5	53.6	89.6	31.2	13.1
WSHP-3	Climate Master/ TCH-009	340	2	8.3	12.6	6.4	13.3
WSHP-4	Climate Master/ TCH-009	340	2	8.3	12.6	6.4	13.3
WSHP-5	Climate Master/ TRC-012	450	3	11.3	13.9	5.8	13.4
WSHP-6,7	Climate Master/ TCH-048	1750	11.2	43.6	62	25.2	13.3
WSHP-8	Climate Master/ TCH-042	1350	9.5	36.7	58	20.9	13.1
WSHP-9	Climate Master/ TCH-012	400	2.8	10.6	16.9	5.9	13.4

Symbol	Manufacturer/ Model (or Equal)	CFM	Condenser Water Data Water Flow (GPM)	Cooling Capacity Total MBH	Heating Capacity	Total Unit H.P.	EER
WSHP-10	Climate Master/ TCH-012	400	2.8	10.6	16.9	5.9	13.4
WSHP-11	Climate Master/ TS-048	1200	11.7	46.9	66.4	18.7	13.8
HHP-A	Climate Master/ TCH-009	390	2	8.0	12.6	6.4	13.3
HHP-B	Climate Master/ TCH-018	650	4.3	16.7	21.7	8.2	13.5

N. VENTILATION

1. All bathrooms will be mechanically vented, exhausting 50 CFM and 75 CFM as shown on the plans. Toilets will be mechanically vented, exhausting 50 CFM. Non-residential bathrooms will be mechanically vented. Residential kitchen will be mechanically vented thought kitchen exhaust hood connected to central exhaust system. Exhaust air flow will be 35 CFM constant with CAV switch to increase to 400 CFM and 600 CFM. Central make-up air ventilation system will be provided to compensate for kitchen exhaust. Central make-up air system will be equipped with rooftop direct expansion unit with gas fired heating coil. Cooling, heating and ventilation of corridors will be provided by roof top packaged air cooled direct expansion unit with gas fired heating coils. Where required, mechanical exhaust shall be provided where natural ventilation cannot be achieved.
   Electro/mechanical equipment and storage areas will be ventilated as required to protect equipment or as generally dictated by applicable health or life safety codes.

O. ELECTRICAL SYSTEM

1. The new electrical service shall be energized by Con Edison and rated at 120/208 volts, 3 phase, 4 wire and will consist of one (1) service take-offs. The service will enter the building underground from 3rd Avenue. All new service and distribution equipment shall be installed with the intention of a new service entrance point. The building's electrical distribution system capacity has been designed for 5,000 Amps based on the building's new loads.

2. Service to individual units: Each residential unit will receive its own load center. The load center will be sized to accommodate modern usage, to include, but not limited to lighting, receptacles, kitchen appliances air conditioning system, etc. Residential unit feeders vary in sizes as required by load and voltage drop requirements. Meters for individual residential units are consolidated in meter banks.
3. Compartment switch gear: none.

4. Unit service: The equipment will be rated to comply with the New York City Electrical Code and is adequate for modern usage and all equipment provided in Residential Units.

5. Adequacy: The capacity of the electric panel for each Residential Unit in accordance with the New York City Electrical Code will be in various sizes from 80 Amp to 200 Amps at 120/208 Volt, 1 Phase, 3 Wire, and 200 Amps, 120/208 Volt, 3 Phase, 4 Wire. The minimal capacity of 80 Amp service at the studio units on the second floor is sufficient for the actual calculated load of 58 Amps. The typical apartment electrical panel shall have approximately 24 to 42 circuits, including heat pump/air conditioning, supplemental heating, appliance circuits and general lighting circuits as required. Each Residential Unit shall have an entry light, corridor lights as required, combination smoke/ carbon monoxide detector in apartments as per NYC Code and convenience outlets in each room as required by NYC Electrical Code. Convenience appliance outlets shall be ground fault type (GFCI) and located per code requirements. ARC fault circuit breakers (AFCI) will be provided for bedroom circuits as required by the 2005 National Electrical Code. Tamper resistant receptacles shall be installed in children's play areas. All exterior receptacles will be provided in a weather proof enclosure as required by the NYC Electrical Code.

6. The main electric switchboards will consist of switches with current-limiting fuses. The switchboard will contain a metered section which will distribute power to the building services, mechanical equipment, fans, pumps, elevators, back of house lighting and power, etc.

7. Emergency Power System: A new 250 kW, 120/208 Volt, 3 Phase standby emergency generator will be provided as required by New York City Code and located in the cellar. The generator will be provided with critical muffler for reduction of emitted noise. Selected loads, such as Fire Pump, elevators, Fire Alarm Control Panel, etc., will be connected to the emergency distribution system via Automatic Transfer Switches. Installation shall comply with New York City Building and applicable National Electrical Codes.

P. INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV

1. Each Residential Unit will be equipped with an intercom system that will communicate between the residential lobby and each resident. Manufactured by Trigon, the intercom system will connect to each residential unit through residential telephones and does not require a separate intercom device in the unit .There will be a two way intercom system linking the service entry with the concierge desk.

Telephone, data and TV video services will be distributed throughout the building in telecommunication risers. Each Residential Unit will receive a NID enclosure within the unit.

2. Wiring will be installed in each Residential Unit to enable the Occupant to obtain telephone, data and video service at the Occupant's expense. The building will not be equipped with a master television antenna system.

3. A closed circuit security television system monitoring selected entrances, corridors and elevators with viewing monitors at the concierge desk. The cameras will be designed to cover general public areas and will not necessarily cover all of the areas.

Q. PUBLIC AREA LIGHTING

The main entrance to the building at grade has LED lighting in the marquee over the entrance doors as well as recessed overhead down-lights; the lobby and mailroom will have recessed ceiling mounted down-lights and concealed lighting in coves; the egress stairs will have a minimum of one fluorescent light fixture at each landing and intermediate platform; and Cellar spaces shall have surface and pendant mounted fluorescent lighting. All lighting levels to meet the requirements of the NYC Building Code and Multiple Dwelling Law and are wired to the building house meter.

R. GARAGE AND PARKING AREAS

None

S. SWIMMING POOL(S)

None

T. TENNIS COURTS, PLAYGROUND AND RECREATION FACILITIES

1. Tennis Courts: None Provided

2. Playground: None Provided

3. Resident Bicycle Storage: A locked bicycle storage room is being provided in the cellar. In accordance with New York City Zoning, this room will provide a minimum of 1 bicycle parking space for every 2 Residential Units in the building.

4. Recreation Facilities: A Residential Lounge with loose seating is provided on the 2nd floor. Lounge is served by a wet bar with residential grade refrigerator, ice maker, and sink. A resident only use courtyard is being provided at the second floor level on the roof over the first floor. The courtyard can be accessed from either the public corridor on the second floor or through the Residential Lounge. An unattended Fitness Center is provided on the 2nd floor. Two enclosed Yoga/Private Training Rooms are being provided within the Fitness Center. A Youth Activity and Recreation Room is provided in the cellar.

5. Fitness Center Equipment:

3	Treadmill	Precor TRM885	Or units of equivalent size and quality, or better.
3	Elliptical	Precor EFX885	Or units of equivalent size and quality, or better.
1	Recumbent Bike	Precor RBK885	Or units of equivalent size and quality, or better.
2	Adaptive Motion Trainer	Precor ATM885	Or units of equivalent size and quality, or better.
1	Superbench	Precor 119	Or units of equivalent size and quality, or better.
1	Smith MachinePress	Precor 802	Or units of equivalent size and quality, or better.
1	Double Dumbbell Rack	Precor 812	Or units of equivalent size and quality, or better.
1	Seated Leg Curl	Precor C619	Or units of equivalent size and quality, or better.
1	Abdominal	Precor C712	Or units of equivalent size and quality, or better.
1	Functional Training System	Precor FTS	Or units of equivalent size and quality, or better.

U. PERMITS AND CERTIFICATES

1. The Plans for the new building were filed under Application Number 120231855 with the Department of Buildings. Permit Number 120231855-01-NB has been issued for the Construction of this Project by the Department of Buildings. A single Certificate of Occupancy will be issued for the entire building, when complete.
2. All necessary permits will be obtained and all the required inspections, including controlled inspections performed by third parties, will be completed prior to Final Inspection and Sign-off.

V. VIOLATIONS

See Department of Buildings printout, attached hereto as Exhibit 'A'.

W. UNIT INFORMATION

There will be 45 residential units.

Unit	Floor	Apt. Type	No. of Units	Description	Electrical Service
A	2	0 BR	1	LR/DA/SLEEPING , LAUNDRY CL, KIT, 1 BATH	80A, 208/120V, Single Phase

B	2	0 BR	1	LR/DA/SLEEPING , LAUNDRY CL, KIT, 1 BATH	80A, 208/120V, Single Phase
C	2	0 BR	1	LR/DA/SLEEPING , LAUNDRY CL, KIT, 1 BATH	80A, 208/120V, Single Phase
D	2	0 BR	1	LR/DA/SLEEPING , LAUNDRY CL, KIT, 1 BATH	80A, 208/120V, Single Phase
E	2	0 BR	1	LR/DA/SLEEPING , LAUNDRY CL, KIT, 1 BATH	80A, 208/120V, Single Phase
F	2	2 BR	1	1 LR/ DR, 2 BR, KIT, 2 BATH, LAUNDRY CL.	125A, 208/120V, Single Phase
A	3-9	3 BR	7	1 LR/ DR, 3 BR, KIT, 3 BATH, 1 HALF BATH, UTILITY RM	150A, 208/120V, Single Phase
B	3-9	4 BR	7	1 LR/ DR, 4 BR, KIT, 4 BATH, 1 HALF BATH, LAUNDRY CL	175A, 208/120V, Single Phase
C	3-9	3 BR	7	1 LR, 1 DR, 3 BR, KIT, 3 BATH, 1 HALF BATH, LAUNDRY CL.	150A, 208/120V, Single Phase
A	10-12,14	5 BR	4	1 LR, 1 DR, LIBRARY, FAMILY RM, 5 BR, KIT, 5 BATH, 1 HALF BATH, UTILITY ROOM	200A, 208/120V, Single Phase
B	10-12,14	4 BR	4	1 LR/ DR, 4 BR, KIT, 4 BATH, 1 HALF BATH, LAUNDRY CL	200A, 208/120V, Single Phase
A	15	5 BR	1	1 LR, 1 DR, LIBRARY, FAMILY RM, 5 BR, KIT, 5 BATH, 1 HALF BATH, UTILITY	200A, 208/120V, Single Phase

				ROOM	
B	15	4 BR	1	1 LR/ DR, 4 BR, KIT, 4 BATH, 1 HALF BATH, LAUNDRY CL	200A, 208/120V, Single Phase
A	16	4 BR	1	1 LR, 1 DR, 4 BR, FAMILY ROOM, KIT, 4 BATH, 1 HALF BATH, LAUNDRY CL, TERRACE	200A, 208/120V, Single Phase
B	16	4 BR	1	1 LR/1 DR, 4 BR, FAMILY ROOM, KIT, 4 BATH, 1 HALF BATH, LAUNDRY CL, TERRACE	200A, 208/120V, Single Phase
A	17	4 BR	1	1 LR, 1 DR, 4 BR, FAMILY ROOM, KIT, 4 BATH, 1 HALF BATH, LAUNDRY CL, TERRACE	200A, 208/120V, Single Phase
B	17	3 BR	1	1 LR/1 DR, 3 BR, FAMILY ROOM, KIT, 3 BATH, 1 HALF BATH, LAUNDRY CL, TERRACE	200A, 208/120V, Single Phase
A	18	4 BR	1	1 LR, 1 DR, 4 BR, FAMILY ROOM, KIT, 4 BATH, 1 HALF BATH, LAUNDRY CL, TERRACE	200A, 208/120V, Single Phase
B	18	3 BR	1	1 LR/1 DR, 3 BR, EAT-IN-KITCHEN, 3 BATH, 1 HALF BATH, LAUNDRY CL, TERRACE	200A, 208/120V, Single Phase
A	19	5 BR	1	1 LR, 1 DR, 5 BR, LIBRARY FAMILY ROOM, EAT-IN-KITCHEN, 5 BATH, 1 HALF BATH, UTILITY ROOM, 2	200A, 208/120V, Single Phase

				TERRACES, FIREPLACE	
A	20	5 BR	1	1 LR, 1 DR, 5 BR, LIBRARY FAMILY ROOM, EAT-IN-KITCHEN, 5 BATH, 1 HALF BATH, UTILITY ROOM, TERRACE, FIREPLACE	200A, 208/120V, Single Phase
TOTAL			45		

1. Type and grade of finish material in unit:

Space	Floor	Wall	Ceiling
Foyer	WDF	GWB/ P	K or GWB/ P
Living Room/Dining Room	WDF	GWB/ P	K or GWB/ P
Bedrooms	WDF	GWB/ P	K or GWB/ P
Library	WDF	GWB/ P	K or GWB/ P
Kitchen	WDF	GWB/ P	GWB/ P
Hallway	WDF	GWB/ P	GWB/ P
Master Bathrooms	ST	GWB/ P/ CT	GWB/ P
Other Bathrooms	CT	GWB/ P/ CT	GWB/ P
Closets	WDF	GWB/ P	GWB/ P

2. Bathroom Fixtures
   Bathroom vanities are painted wood with a stone top.

Lavatory Master Bath	Kohler, Ladena Undercounter K-2214 - White	Or units of equivalent size and quality, or better.
Lavatory 2nd Bath	Kohler, Ladena Undercounter K-2214 - White	Or units of equivalent size and quality, or better.
Lavatory Powder Room	Custom carved marble	Or units of equivalent size and quality, or better.
Water Closet	Toto, MS884114 - Carolina White	Or units of equivalent size and quality, or better.
Bathtub Master Bath	Kohler, Tea for Two K-855 - White	Or units of equivalent size and quality, or better.
Bathtub Master Bath – Units 19A and 20A	MTI Alissa MTCT-126 - White	Or units of equivalent size and quality, or better.
Bathtub 2nd Bath – 66"	American Standard Spectra 2696.102 - White	Or units of equivalent size and quality, or better.
Bathtub 2nd Bath – 60"	American Standard Princeton Recess Bath 2390.202 - White	Or units of equivalent size and quality, or better.

3. Kitchen and laundry equipment:
   Kitchen cabinets are painted wood with stone countertops.

Typical Residential Units – Floors 3-12, 14-18, and unit 2F		
Refrigerator 48-inch	Subzero BI-48S/O Custom Panel to Match Cabinets	Or units of equivalent size and quality, or better.
Range	Bertazzoni TKS36X – Stainless Steel	Or units of equivalent size and quality, or better.
Microwave Oven	Bertazzoni MO30 STA NE – Stainless Steel	Or units of equivalent size and quality, or better.
Dishwasher	Miele G5575SCVI Custom Panel to Match Cabinets	Or units of equivalent size and quality, or better.
Wine Storage	Marvel 61WCM-BD Custom Panel to Match Cabinets	Or units of equivalent size and quality, or better.
Sink	Signature Plumbing KS1052SS12SS Stainless Steel	Or units of equivalent size and quality, or better.
Washer	Bosch WAS20160UC White	Or units of equivalent size and quality, or better.
Dryer	Bosch WTE86300UC White Condensing Dryer	Or units of equivalent size and quality, or better.

Units 19A and 20A		
Refrigerator 48-inch	Subzero BI-48S/O Custom Panel to Match Cabinets	Or units of equivalent size and quality, or better.
Refrigerator Drawer	Subzero 700BCI Stainless Steel	Or units of equivalent size and quality, or better.
Range – 36 inch	Bertazzoni TKS36X – Stainless Steel	Or units of equivalent size and quality, or better.
Range – 24-inch	Bertazzoni X224 GGV X – Stainless Steel	Or units of equivalent size and quality, or better.
Microwave Oven	Bertazzoni MO30 STA NE – Stainless Steel	Or units of equivalent size and quality, or better.
Dishwasher	Miele 5575SCVI Custom Panel to Match Cabinets	Or units of equivalent size and quality, or better.
Wine Storage	Subzero 427RG/O Custom Panel to Match Cabinets	Or units of equivalent size and quality, or better.
Coffee Maker	Miele CVA4066 Stainless Steel	Or units of equivalent size and quality, or better.
Ice Maker	Subzero UC-15I/P Custom Panel to Match Cabinets	Or units of equivalent size and quality, or better
Sink	Signature Plumbing KS1052SS12SS Stainless Steel	Or units of equivalent size and quality, or better.
Washer	Miele, W 4842 White w/Laundry Stand	Or units of equivalent size and quality, or better.
Dryer	Miele, T 9822 White w/Laundry Stand	Or units of equivalent size and quality, or better.

Units 2A, 2B, 2C, 2D, and 2E

Refrigerator 24-inch	Blomberg BRFB1040 - Silver	Or units of equivalent size and quality, or better.
Cooktop	Verona VECTG212FDS – Stainless Steel	Or units of equivalent size and quality, or better.
Microwave Oven	Bosch HMV8051U – Stainless Steel	Or units of equivalent size and quality, or better.
Sink	Kohler Undertone K-3325 Stainless Steel	Or units of equivalent size and quality, or better.
Washer	Bosch WAS20160UC White	Or units of equivalent size and quality, or better.
Dryer	Bosch WTE86300UC White Condensing Dryer	Or units of equivalent size and quality, or better.

4. Ceiling Heights:

FL	ROOM					
	Foyer/Hall	Living/ Dining	Kitchen	Master Bedroom	Bedroom	Bathroom
2	9'-0"	9'-10"	9'-0"	9'-6"	9'-6"	8'-0"
3-8	9'-0" To 8'-0"	8'-11"	8'-0"	8'-11"	8'-0"	8'-0"
9	9'-10" To 8'-11"	9'-8"	8'-0"	9'-8"	9'-8"	8'-6" To 8'-0"
10-14	9'-0" To 8'-0"	8'-11"	8'-0"	8'-11"	8'-11"	8'-0"
15	10'-4" To 9'-2"	9'-6"	8'-0"	10'-4"	9'-6"	8'-6" To 8'-0"
16	10'-4" To 9'-4"	10'-4" To 9'-8"	8'-0"	11'-0"	9'-10"	8'-6"
17	10'-11" To 9'-10"	10'-4"	8'-0"	10'-0"	9'-10"	9'-6" To 8'-6"
18	10'-11" To 9'-10"	10'-4" To 9'-8"	9'-6"	10'-0"	9'-10"	8'-6"
19	11'-0" To 8'-6"	10'-11" To 10'-0"	8'-6"	10'-11"	9'-10"	9'-6" To 8'-6"
20	9'-4" To 8'-6"	10'-11" To 10'-0"	8'-0"	10'-11"	9'-10"	9'-6" To 8'-6"

X. FINISH SCHEDULE OF SPACES OTHER THAN UNITS

Space	Floor	Wall	Ceiling

Stairs	DPH	GWB/ P	CONC/ P
Lobby	ST	ST/WD/GWB/ P	GWB/ P
Service Corridor	DPH	GWB/ P	CONC/ P
Mech. Rooms	DPH	GWB/ P	CONC/ P

ABBREVIATIONS FOR FINISHES

CT	CERAMIC TILE
CPT	CARPET
CONC	CONCRETE
DPH	CONCRETE WITH DUST-PROOFING AND HARDENER
DP	DECK PAINT
GLT	GLASS TILE
GWB	GYPSUM WALLBOARD
HC	HUNG CEILING
K	KADEX/SKIM COAT
MAS	MASONRY
P	PAINT
PLAS	PLASTER
QT	QUARRY TILE
ST	STONE TILE
VCT	VINYL COMPOSITION TILE
WC	WALL COVERING
WD	WOOD
WDF	¾" THICK SOLID WOOD FLOORING

NOTES:

1. No Chinese drywall will be used in the construction of the building.

2. Composite flooring assemblies – including structural deck, floor finish systems, and ceiling finish treatments – will provide impact insulation and acoustical separations in compliance with all relevant codes.

3. Demising partitions between units will provide acoustical separations in compliance with all relevant codes.

Y. SAFETY AND WARNING DEVICES

1. Apartment Smoke Detection System: Each apartment will contain a combination carbon monoxide/smoke detector(s) located in the vicinity of the bedrooms as well as in each bedroom. The detectors are wired to a 120-volt local power supply with battery backup and are a self-contained unit with its own sounding device and are not connected to any central system.

2. The building is provided with a manual and automatic fire alarm system with paging speakers. This system also monitors the sprinkler water flow and tamper switches as well as the fire pump. The system is connected to a Central Office for notifying the FDNY. Mechanical, electrical, telephone and like rooms over 75 square feet are equipped with smoke detectors as are all

elevator lobbies, elevator machine rooms and the top of the shaft. These detectors are connected to the fire alarm system.

Z. ADDITIONAL INFORMATION

1. Site Plan: a Site Plan is included in Part II of the Plan.
2. Area Map: located in a highly urban area- not required.
3. Floor Plan: floor plans of each unit are included in Part II of the Plan.
4. Floor to ceiling heights: on floor plans, included in Part II of the plan.
5. Approximate total area of each unit: on floor plans, included in Part II of the plan.
6. Master floor plan: not required.
7. Dimensions of Units: The square foot area of the Units set forth in the floor plans, Schedule A to the Offering Plan and Schedule B to the Declaration are approximate and subject to normal construction variations and tolerances. Measured horizontally, the units were measured from the exterior side of the exterior walls (perimeter columns and mechanical pipes/ducts/shafts are not deducted) to the midpoint of the interior walls and partitions separating one Unit from another Unit, or separating a Unit from public corridors, stairs, elevators and other mechanical equipments spaces or any Common Elements or Limited Common Elements. Any common elements located within a unit shall not be considered a part of such unit. As is customary in New York City, these square foot areas exceed the useable floor area of each Unit.

8. Measured vertically, each Unit will consist of the volume from the top of the concrete floor slab or gypsum self-leveling compound below the finished flooring and sub-floor materials to the underside of the concrete slab under the gypsum self-leveling compound above. The clearance between the top of the concrete floor slab or gypsum self-leveling compound and the bottom of the finish ceiling in the units is as indicated above, but certain Units and areas within other Units may have clearances of less than indicated on the floor plans to accommodate facilities located above the same or otherwise to respond to field conditions.

9. Substitutions: Where materials, appliance, equipment, fixtures and other construction and design details are specified in this report, Sponsor has reserved the right to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality and may utilize different materials, appliances, equipment, and/or fixtures in Sponsor's model units, if any.

Signature



[Architect's Seal]

EXHIBIT "5"

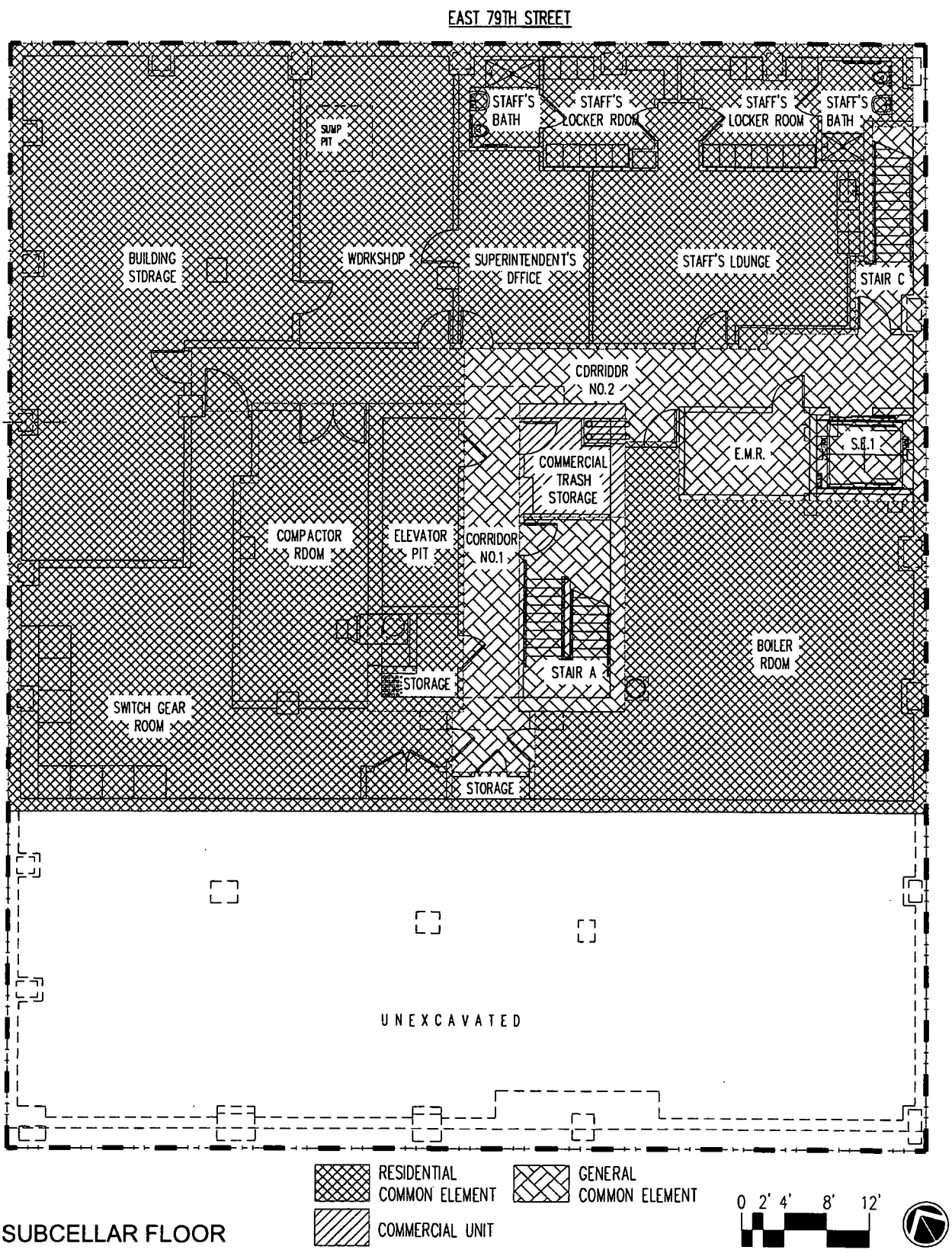
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EXHIBIT "6"

INTENTIONALLY DELETED

EXHIBIT "7"

FLOOR PLANS



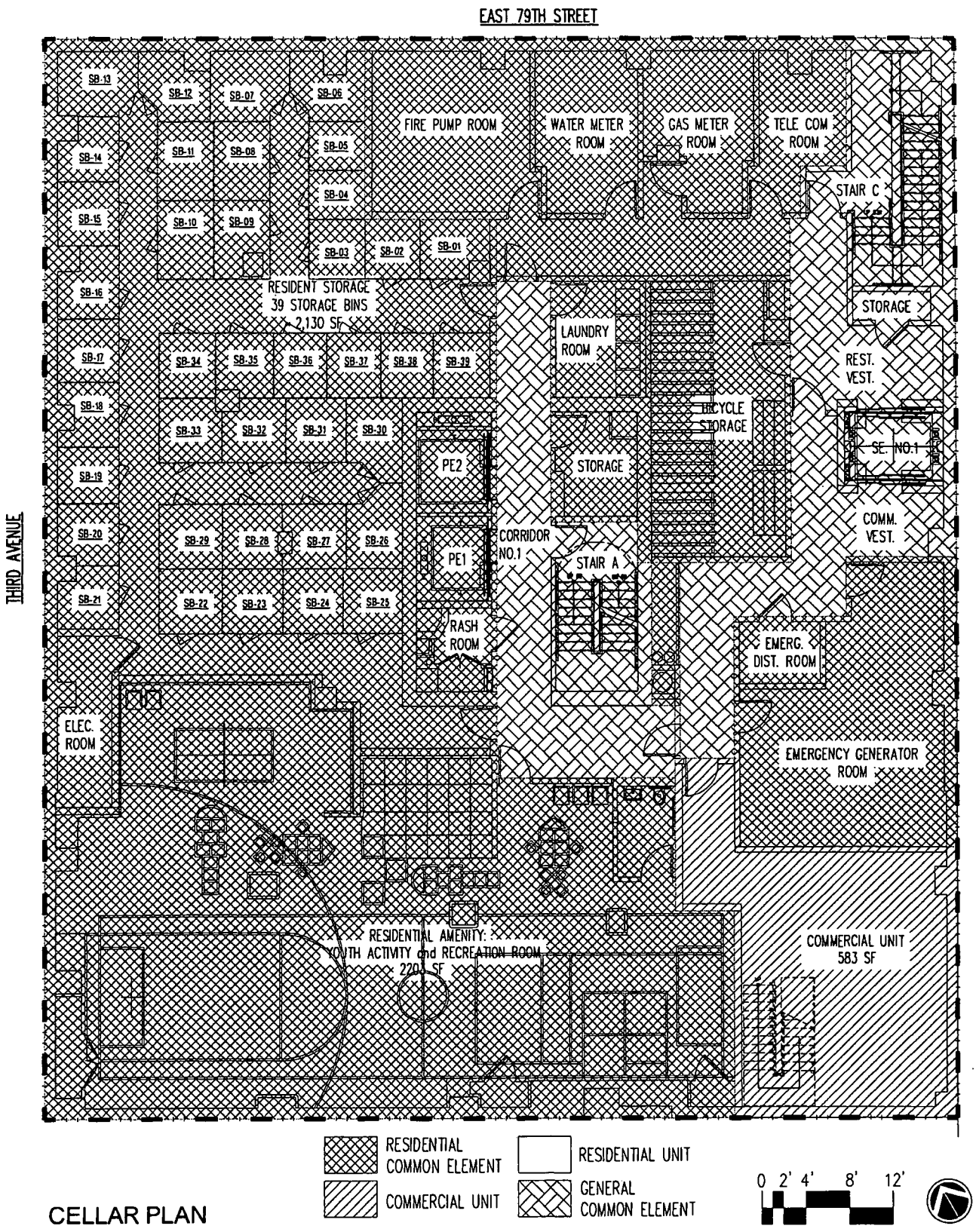
SUBCELLAR FLOOR

200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL SUBTRACT CUT-OUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCOROANCE WITH THE OFFERING PLAN. FLOOR NUMBERING REPRESENTS SALES UNIT DESIGNATIONS ANO MAY VARY FROM CONSTRUCTION UNIT DESIGNATIONS.

26 MARCH. 2012



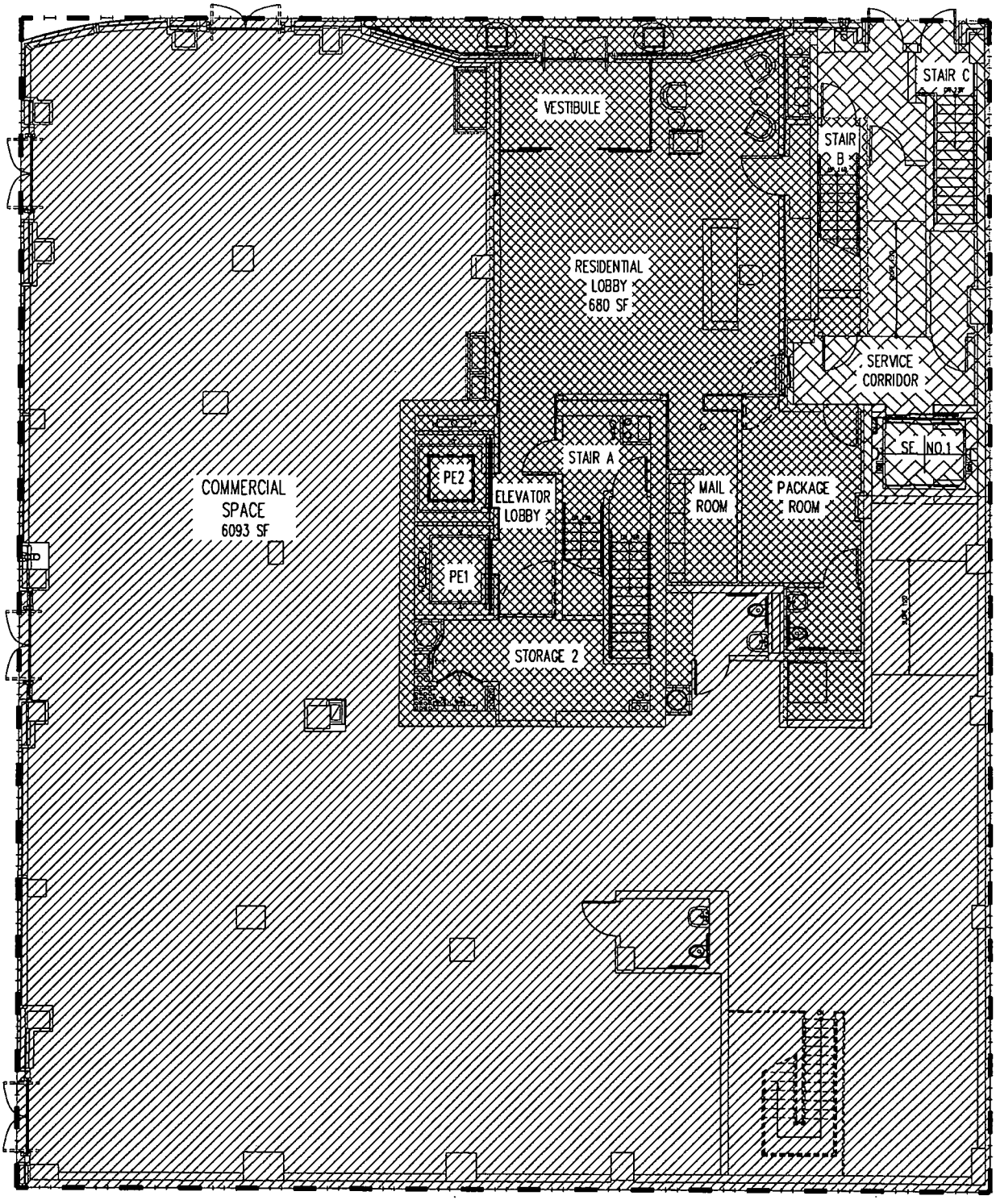
CELLAR PLAN

200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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24 APRIL, 2012



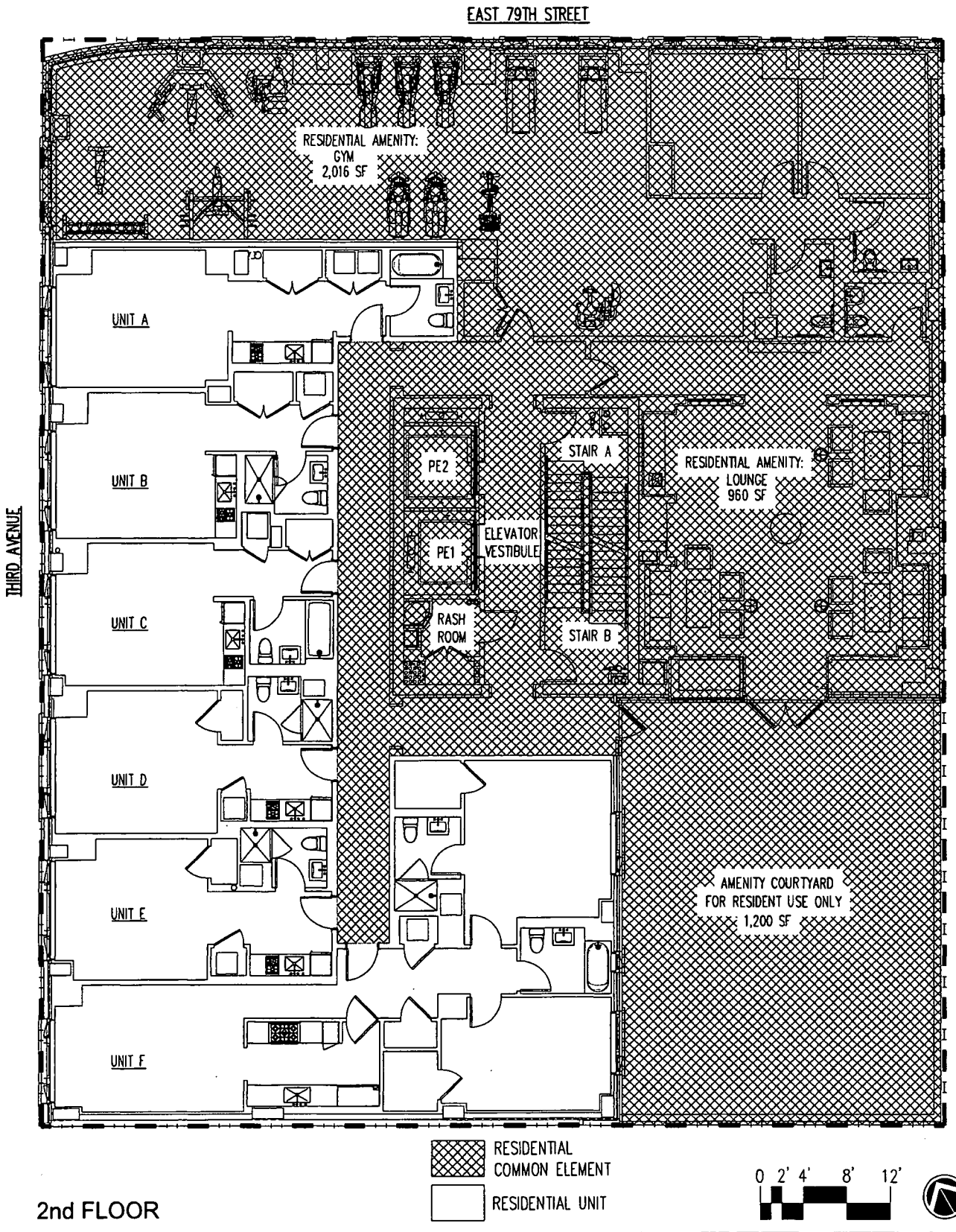
GROUND FLOOR

200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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23 APRIL, 2012



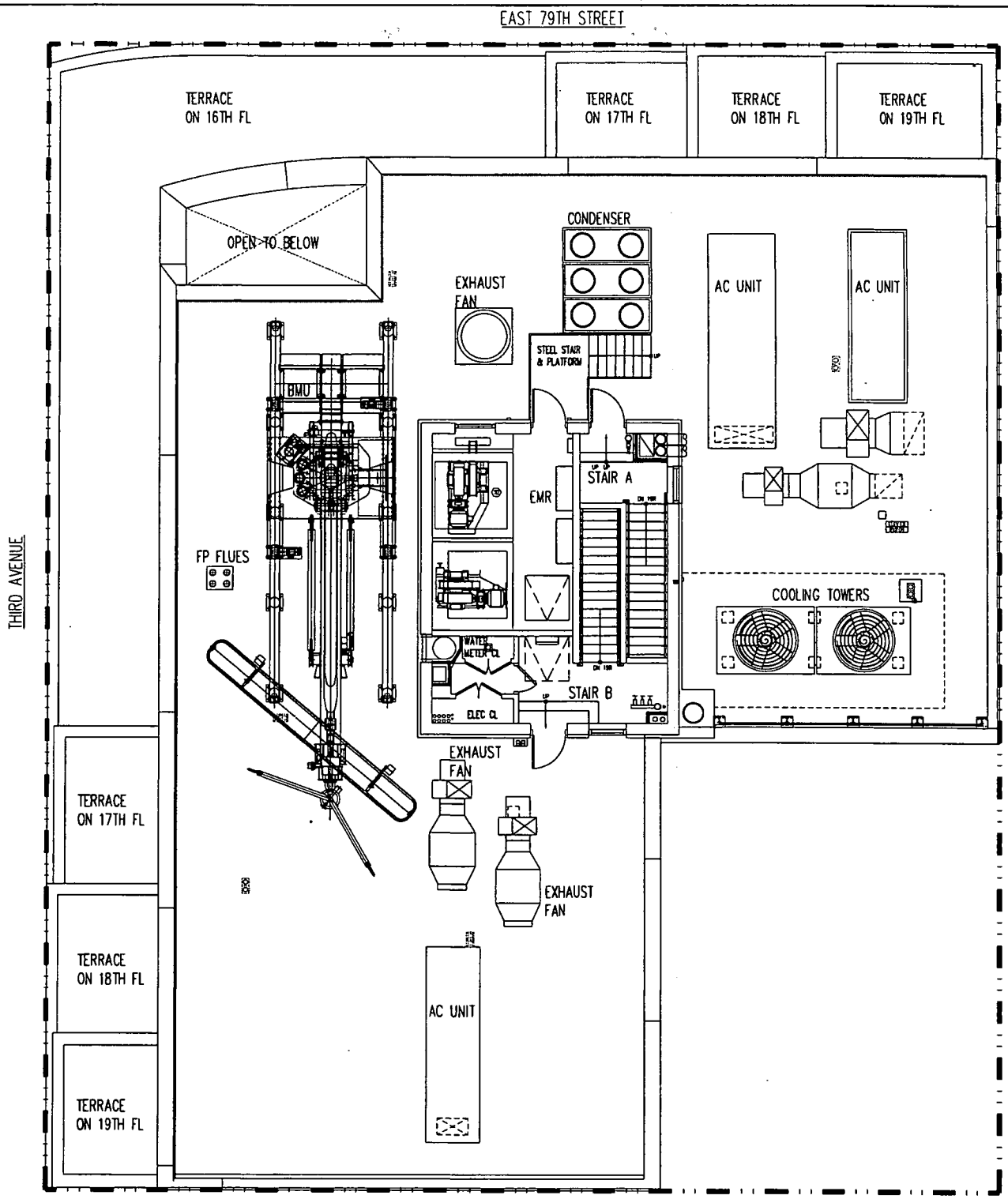
2nd FLOOR

200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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26 MARCH 2012



ROOF

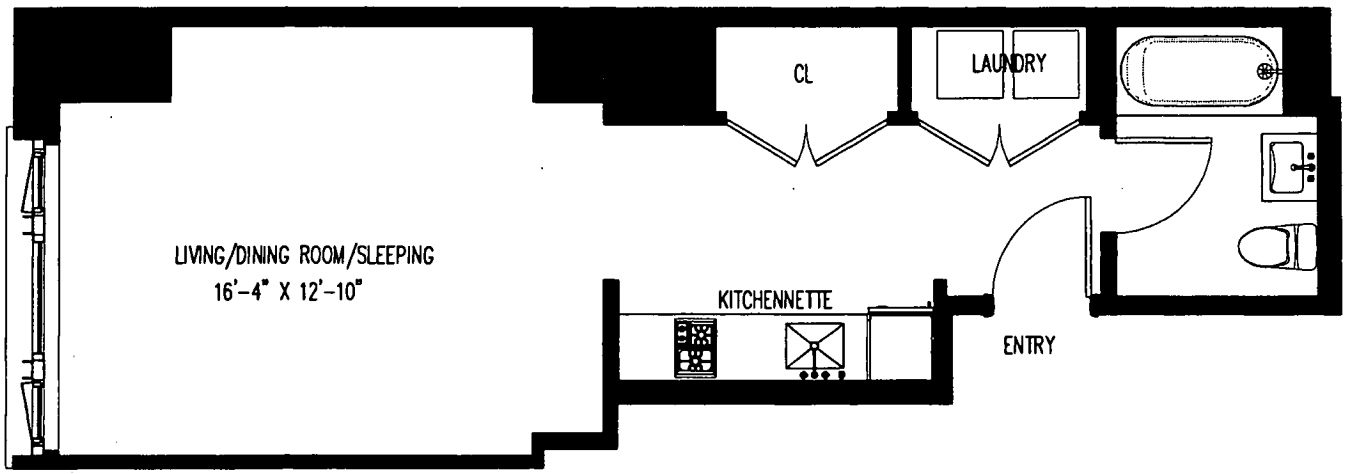
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200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

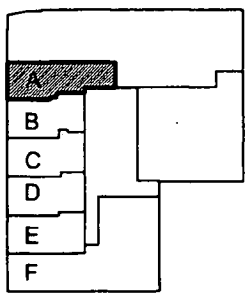
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26 MARCH, 2012

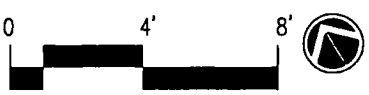


RESIDENCE 2A

467 SF



KEYPLAN - 2nd FLOOR

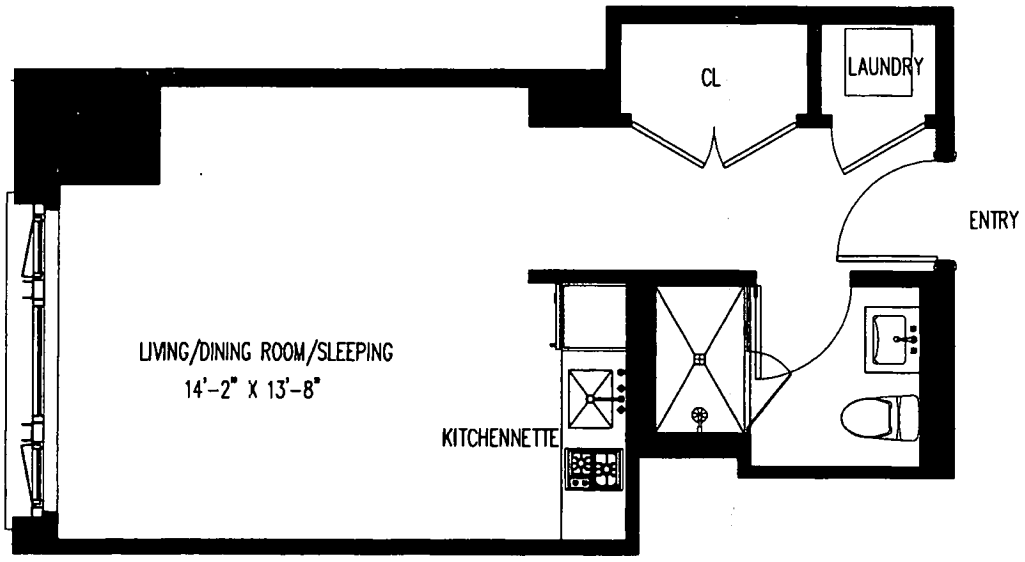


1 BATHROOM

200 East 79th Street
New York, New York

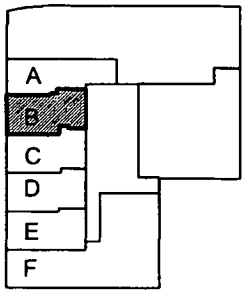
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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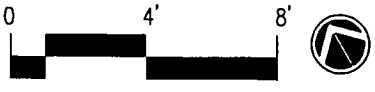


RESIDENCE 2B

400 SF



KEYPLAN - 2nd FLOOR

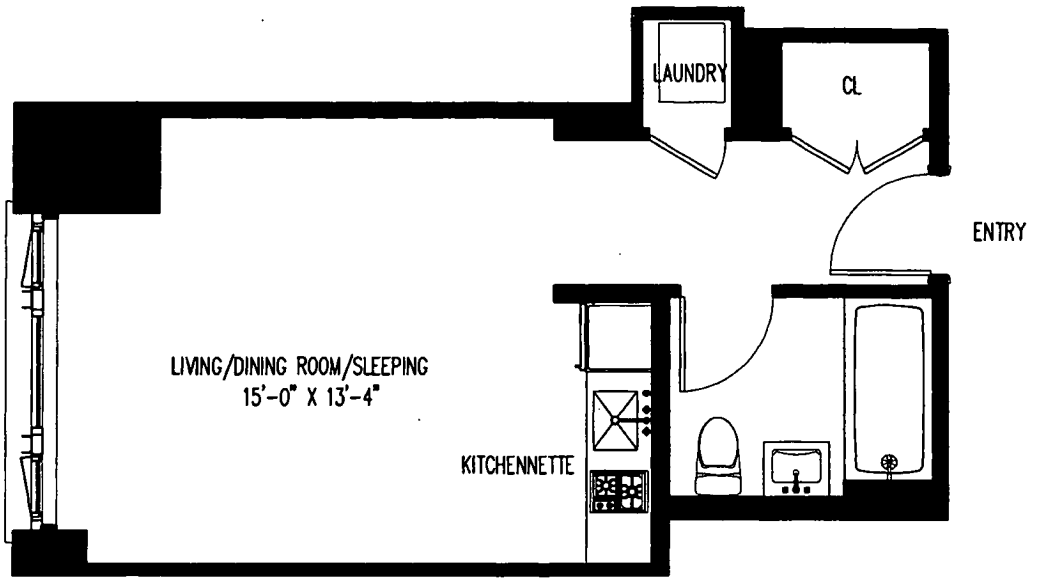


1 BATHROOM

200 East 79th Street
New York, New York

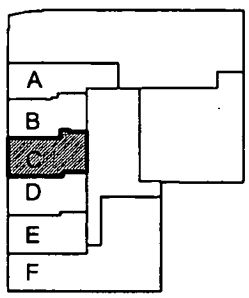
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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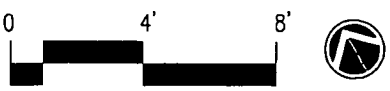


RESIDENCE 2C

400 SF



KEYPLAN - 2nd FLOOR

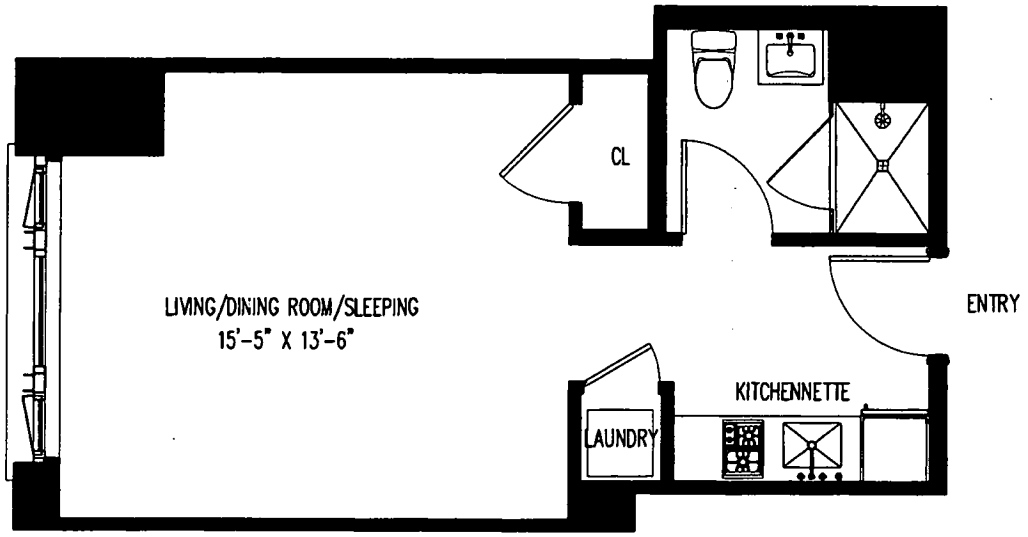


1 BATHROOM

200 East 79th Street
New York, New York

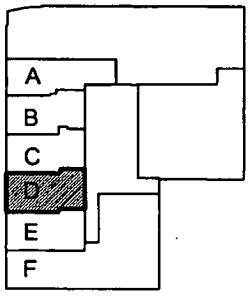
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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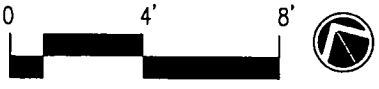


RESIDENCE 2D

400 SF



KEYPLAN - 2nd FLOOR

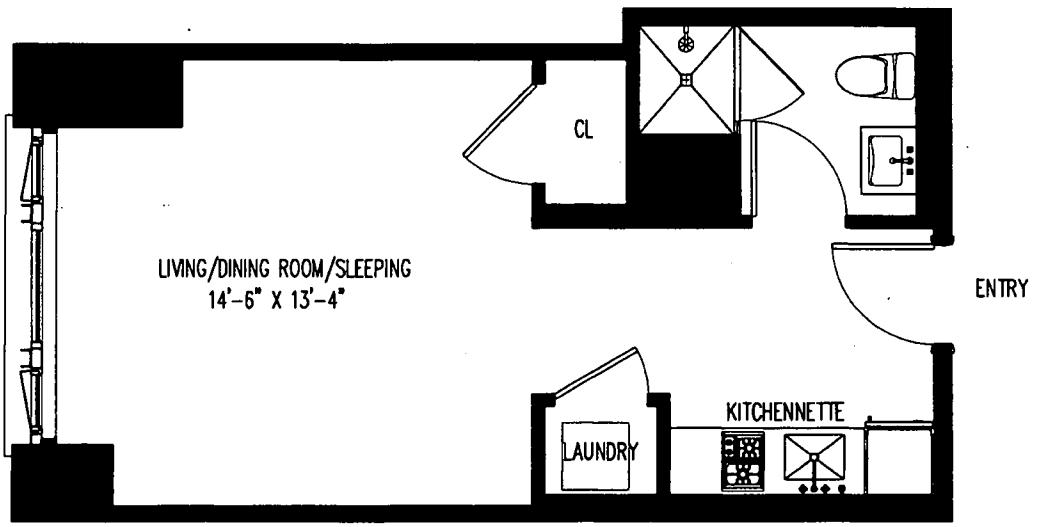


1 BATHROOM

200 East 79th Street
New York, New York

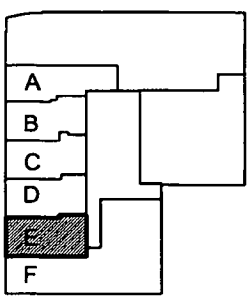
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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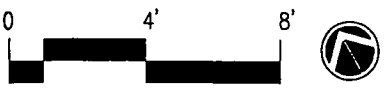


RESIDENCE 2E

400 SF



KEYPLAN - 2nd FLOOR

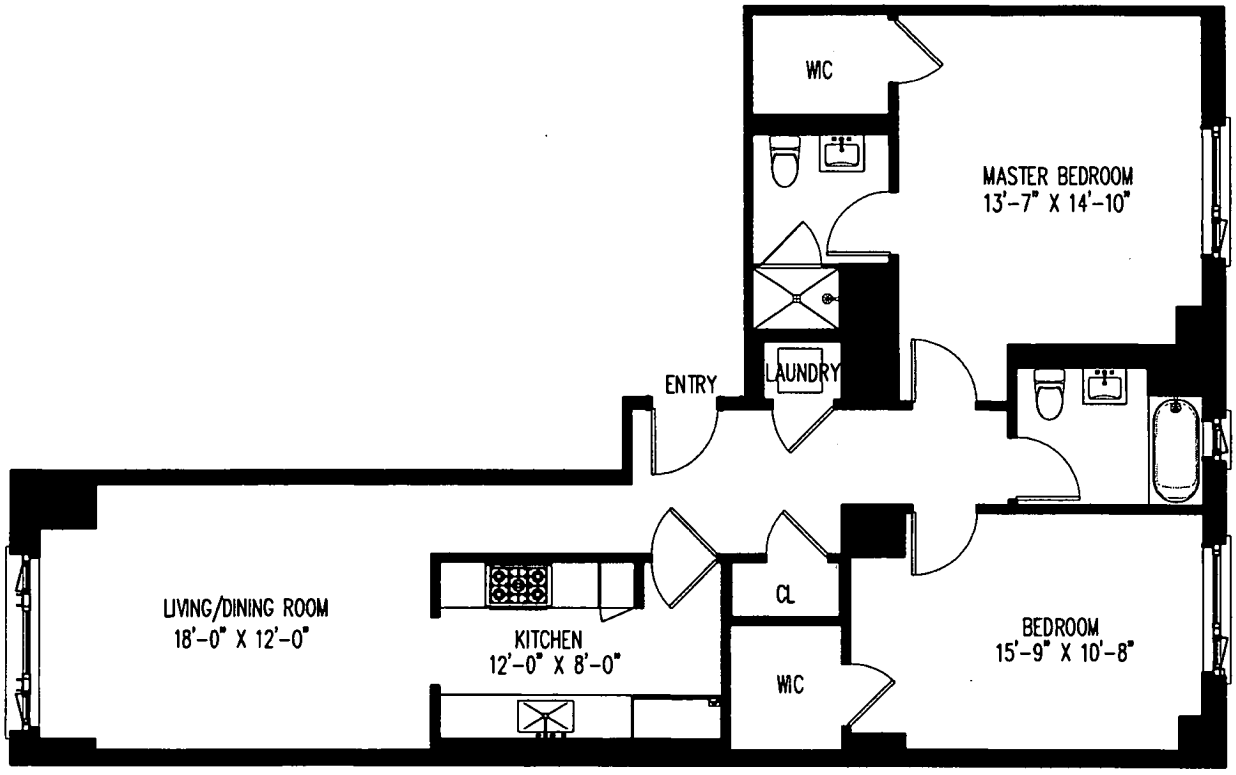


1 BATHROOM

200 East 79th Street
New York, New York

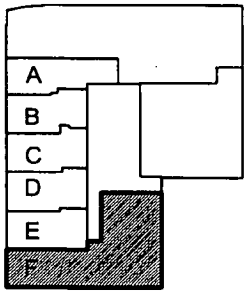
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 2F

1,229 SF



KEYPLAN - 2nd FLOOR

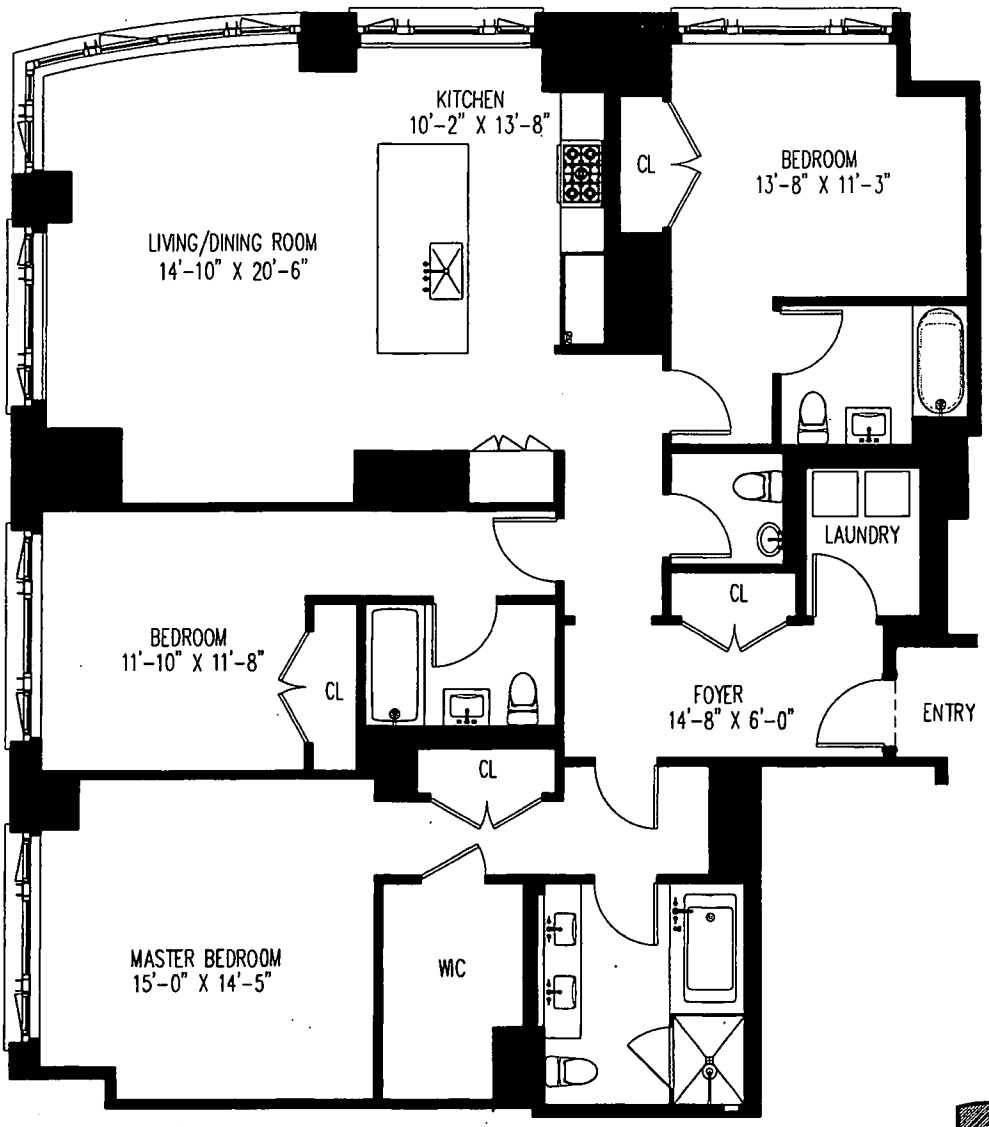


2 BEDROOMS
2 BATHROOMS

200 East 79th Street
New York, New York

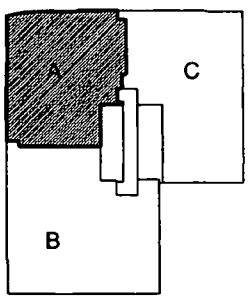
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 3A

1,920 SF



KEYPLAN - 3rd FLOOR

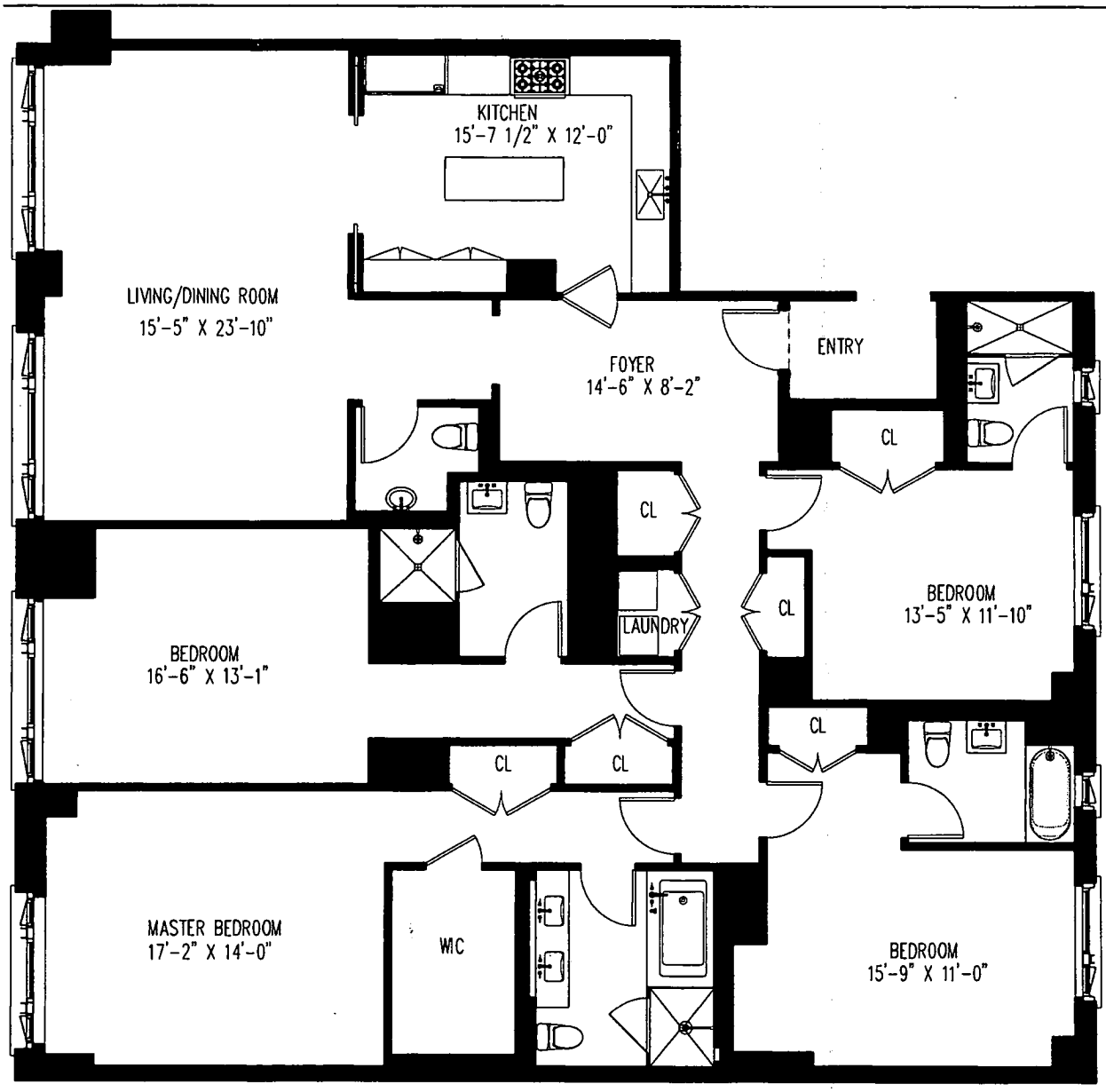
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

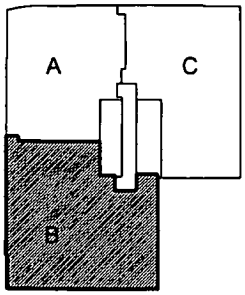
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 3B

2,620 SF



KEYPLAN - 3rd FLOOR

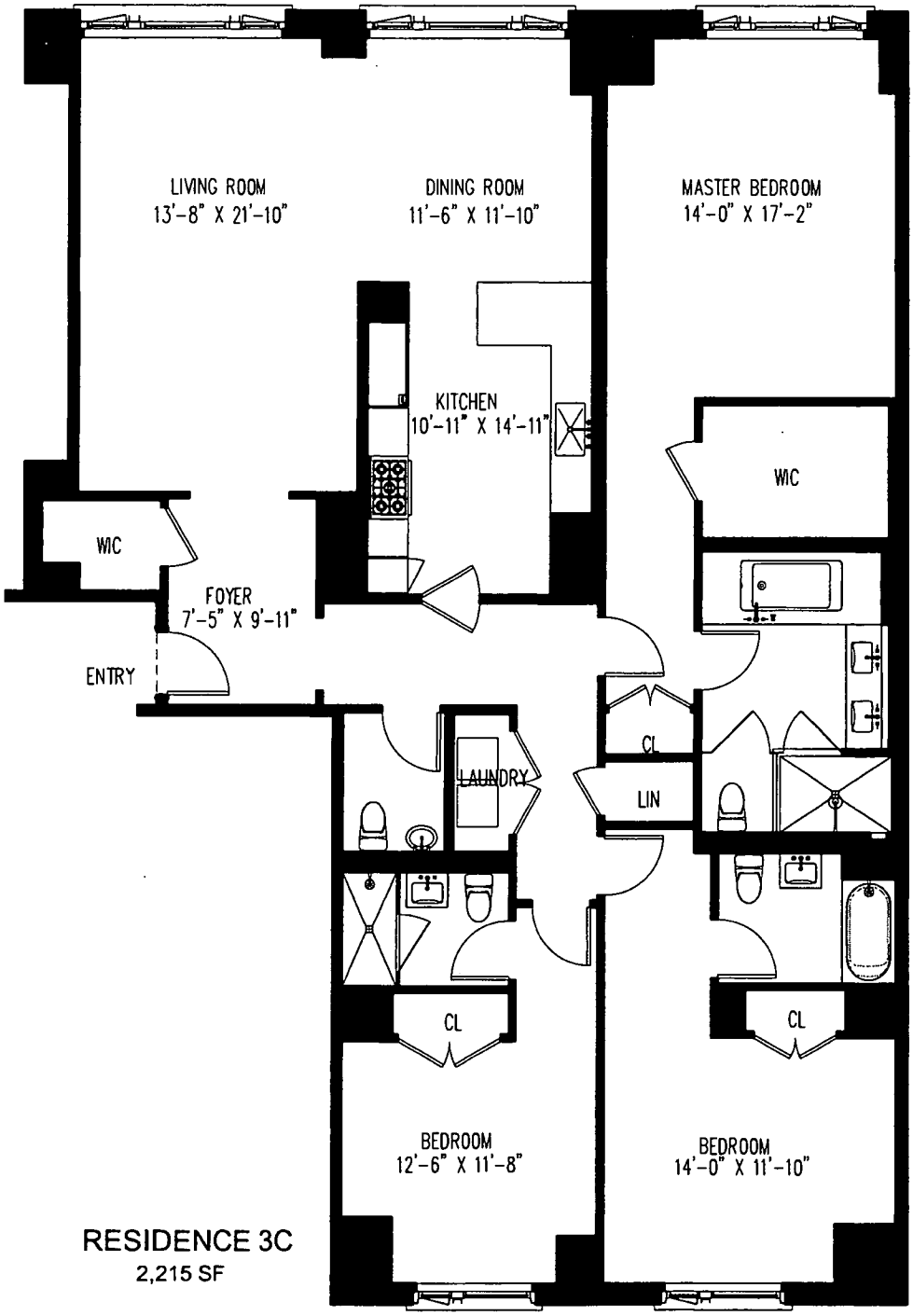
4 BEDROOMS
4 1/2 BATHROOMS



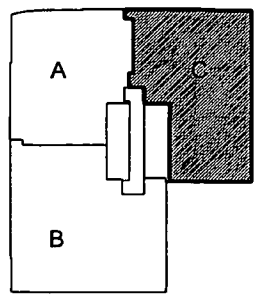
200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 3C
2,215 SF



KEYPLAN - 3rd FLOOR

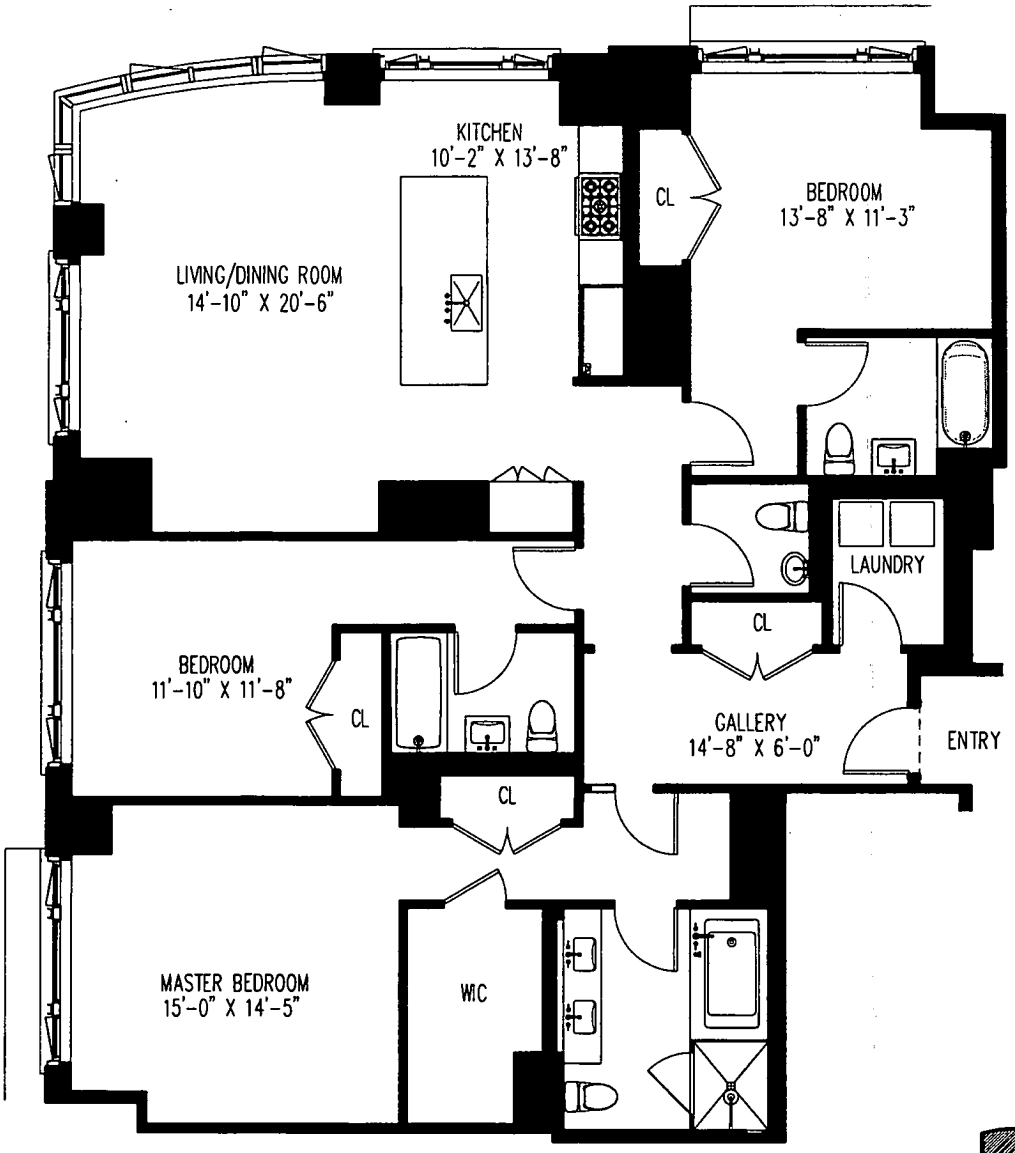
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

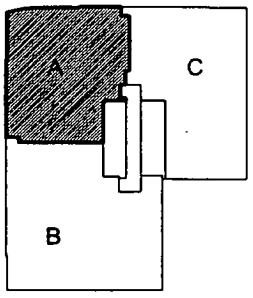
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 4A

1,920 SF



KEYPLAN - 4th FLOOR

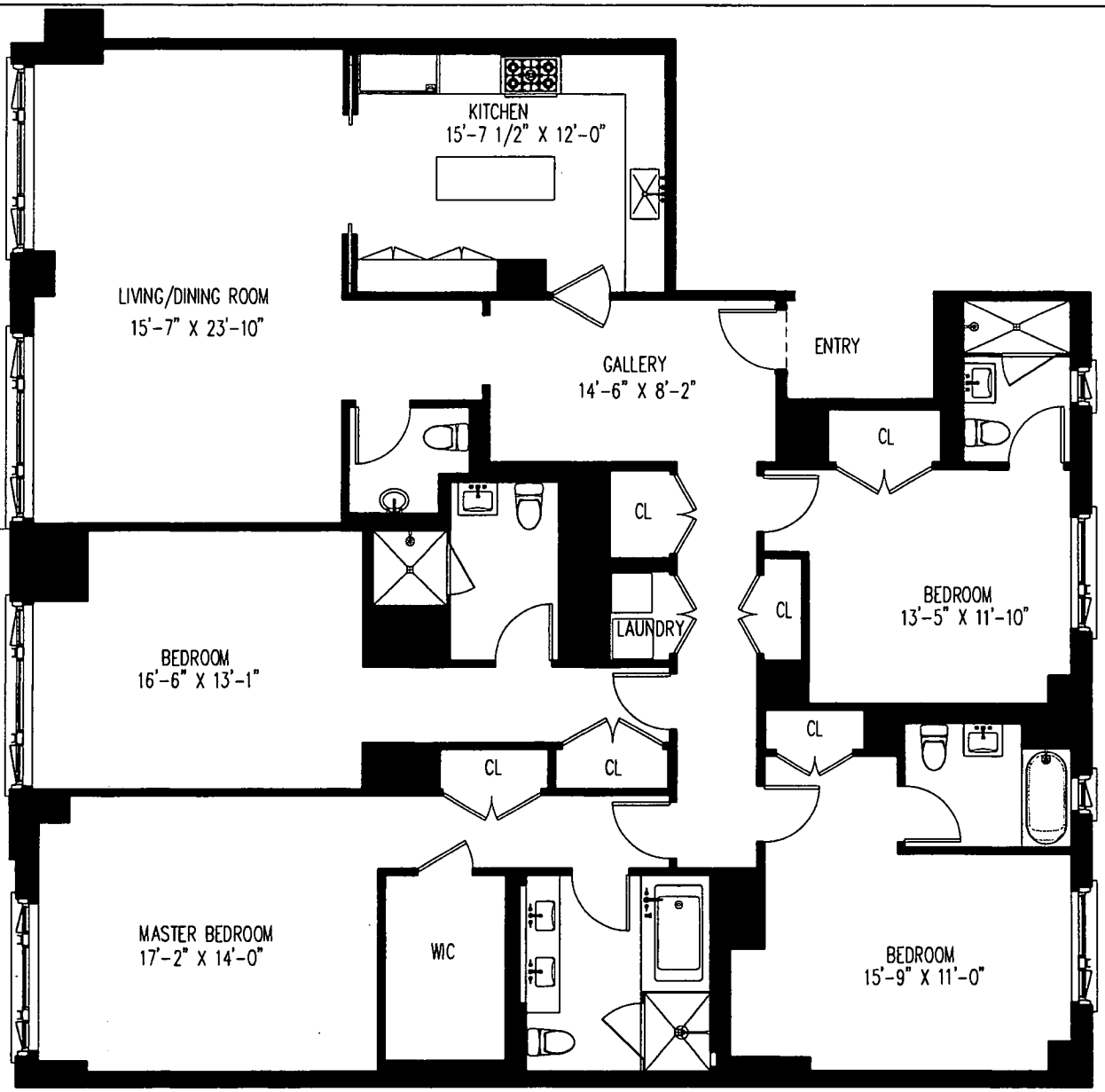
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

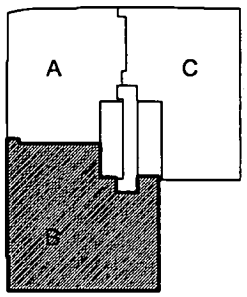
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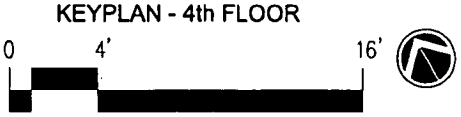
RESIDENCE 4B

2,620 SF



KEYPLAN - 4th FLOOR

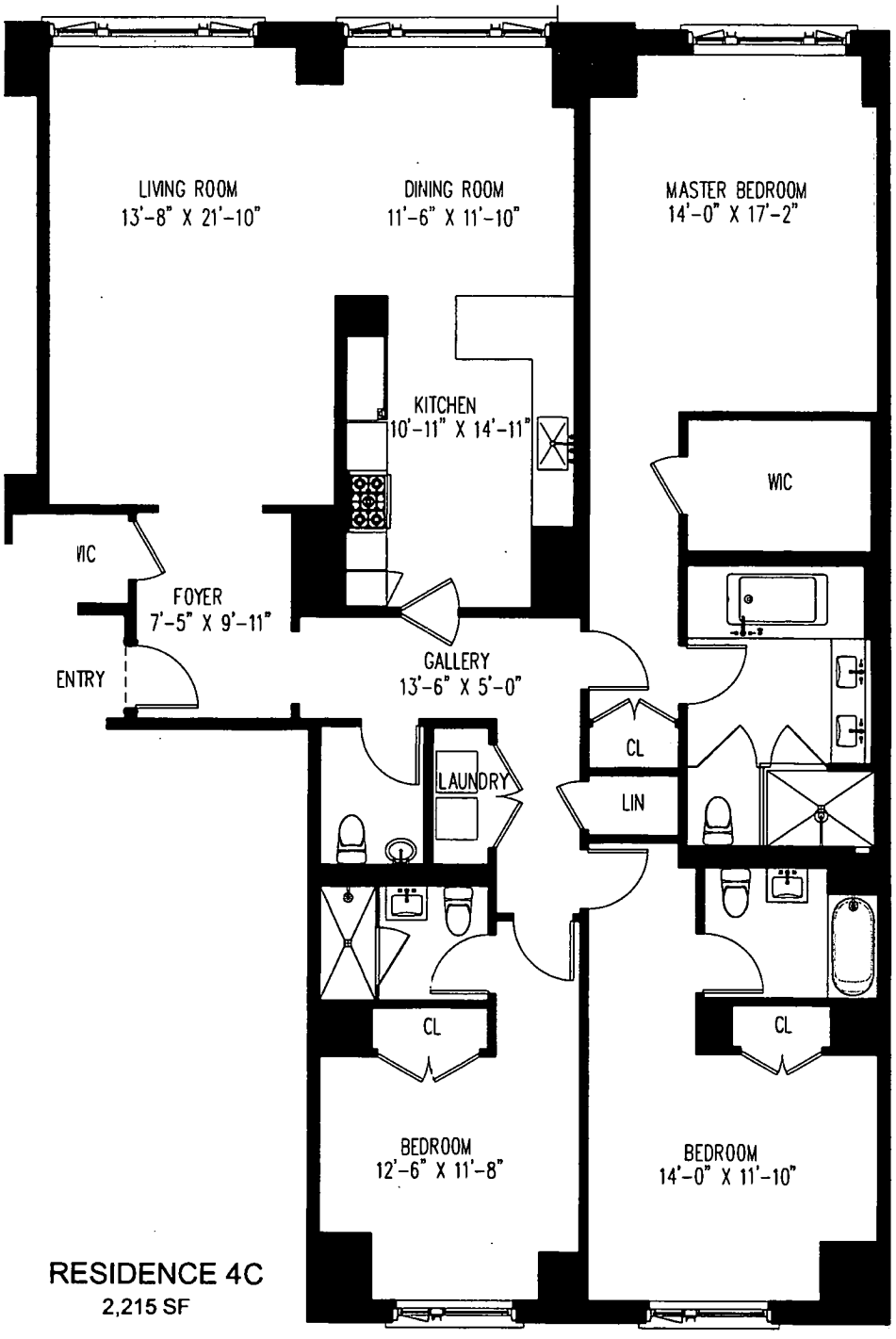
4 BEDROOMS
4 1/2 BATHROOMS



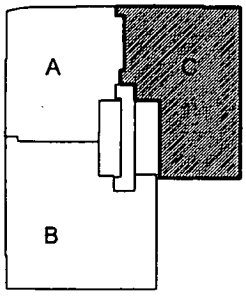
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CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL SUBTRACT CUT-OUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN. FLOOR NUMBERING REPRESENTS SALES UNIT DESIGNATIONS AND MAY VARY FROM CONSTRUCTION UNIT DESIGNATIONS.



RESIDENCE 4C
2,215 SF



KEYPLAN - 4th FLOOR

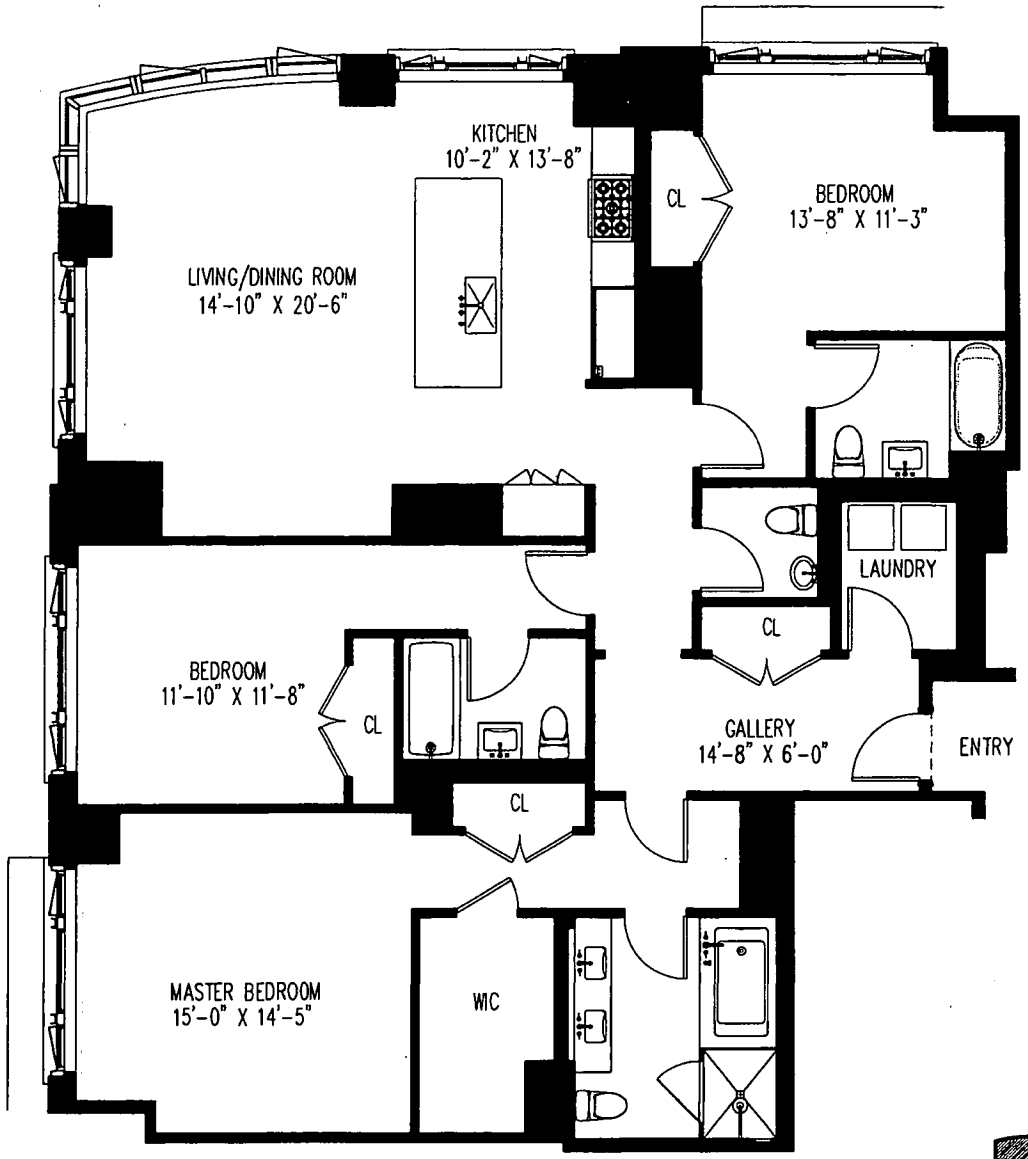
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

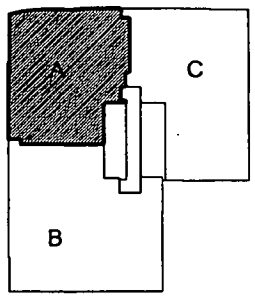
CETRA/CRI ARCHITECTURE PLLC
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New York, N.Y. 10012

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RESIDENCE 5A

1,920 SF



KEYPLAN - 5th FLOOR

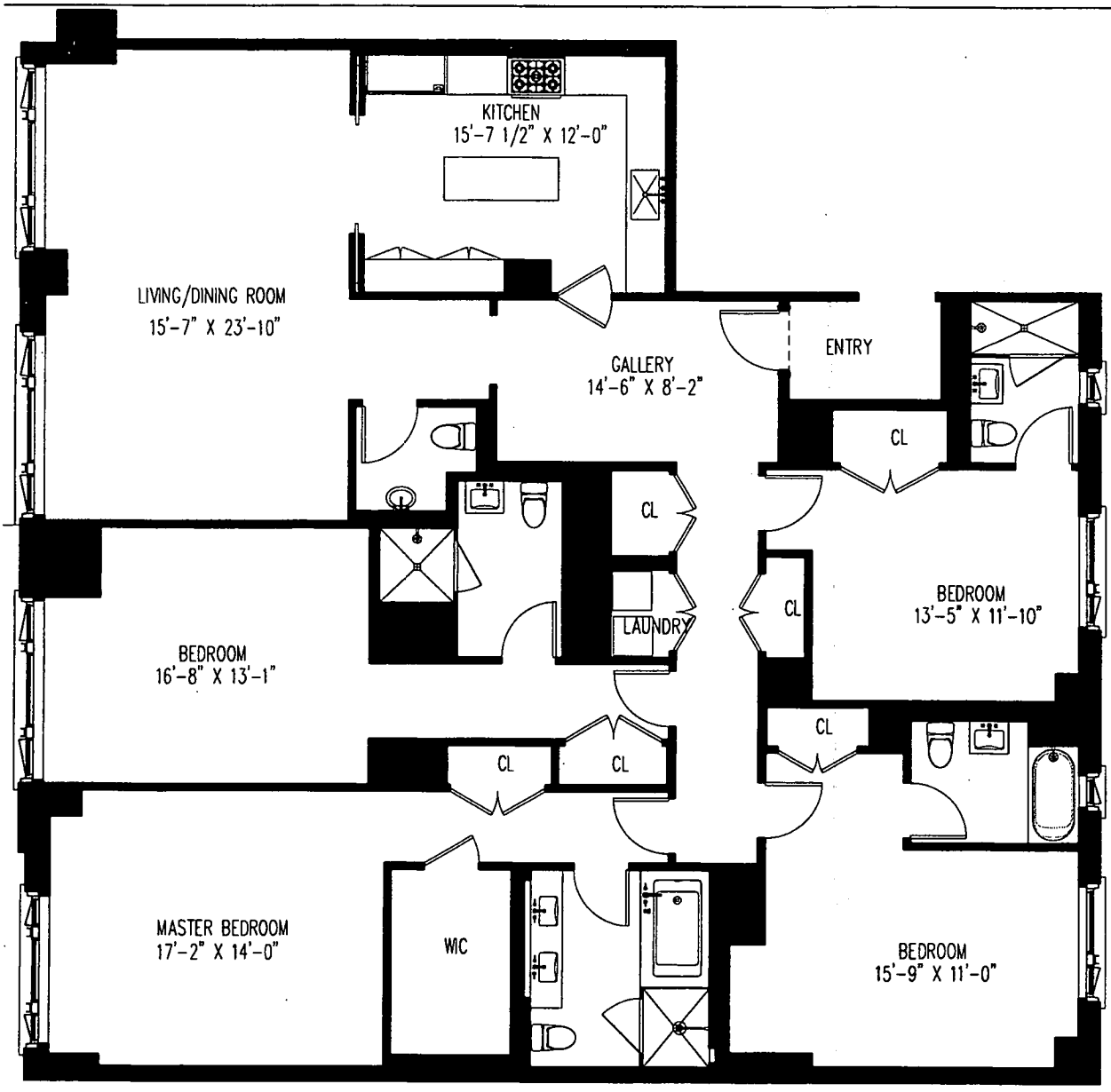
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

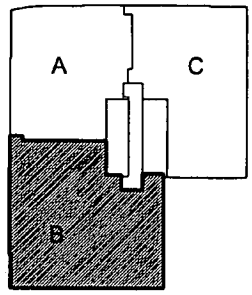
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 5B

2,620 SF



KEYPLAN - 5th FLOOR

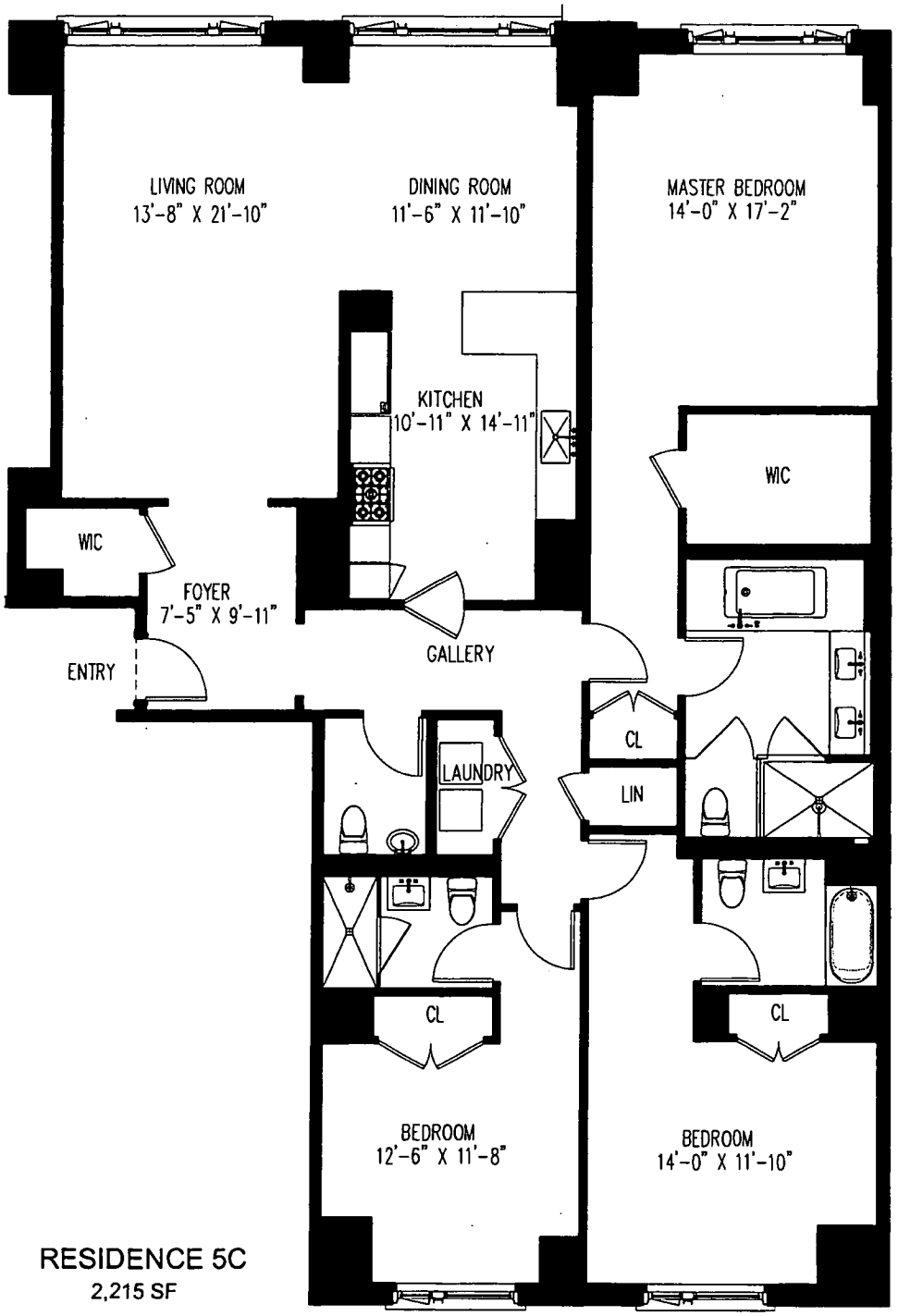
4 BEDROOMS
4 1/2 BATHROOMS



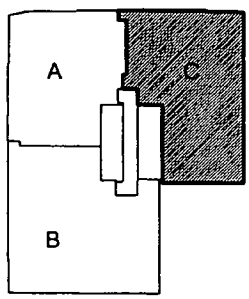
200 East 79th Street
New York, New York

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584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 5C
2,215 SF



KEYPLAN - 5th FLOOR

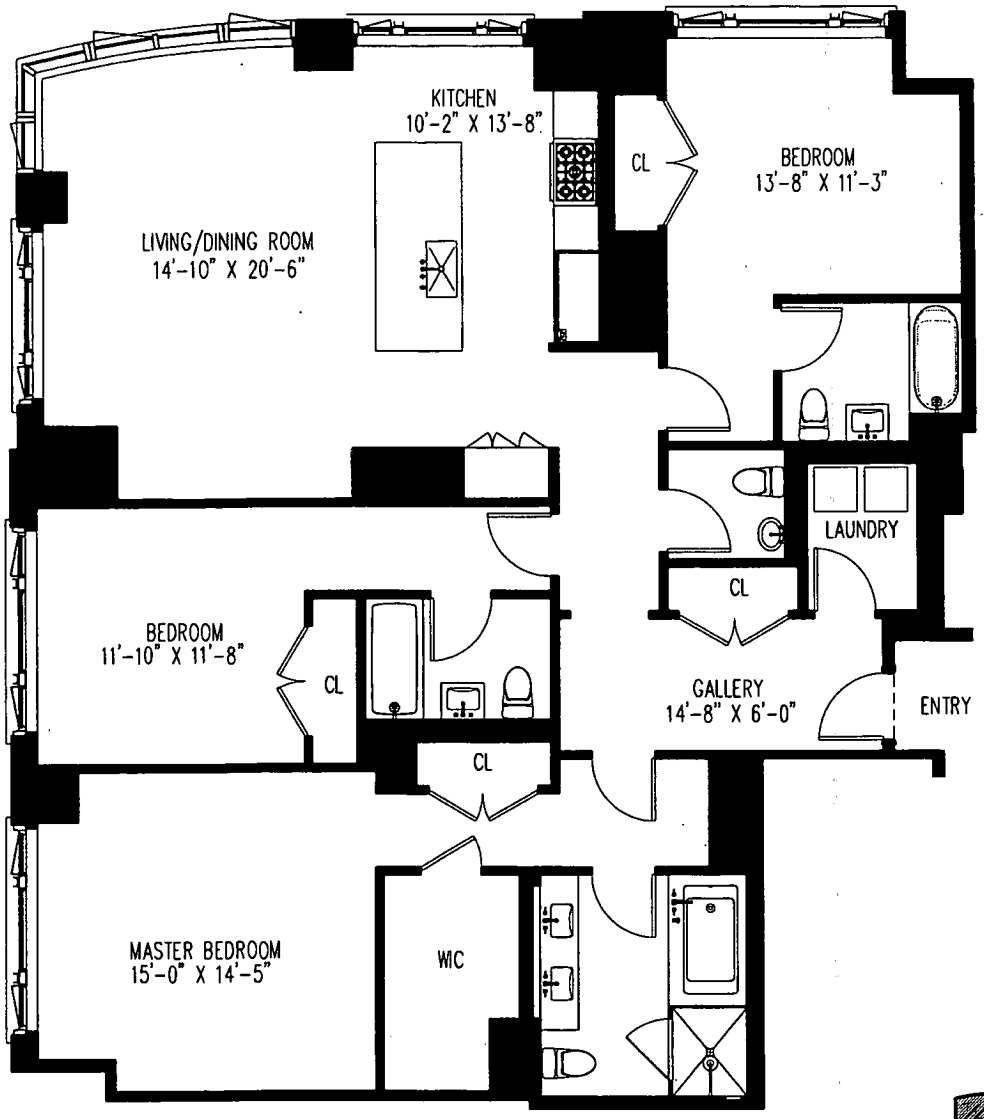
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

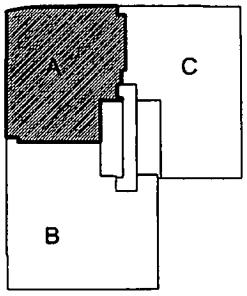
CETRA/CRI ARCHITECTURE PLLC
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New York, N.Y. 10012

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RESIDENCE 6A

1,920 SF



KEYPLAN - 6th FLOOR

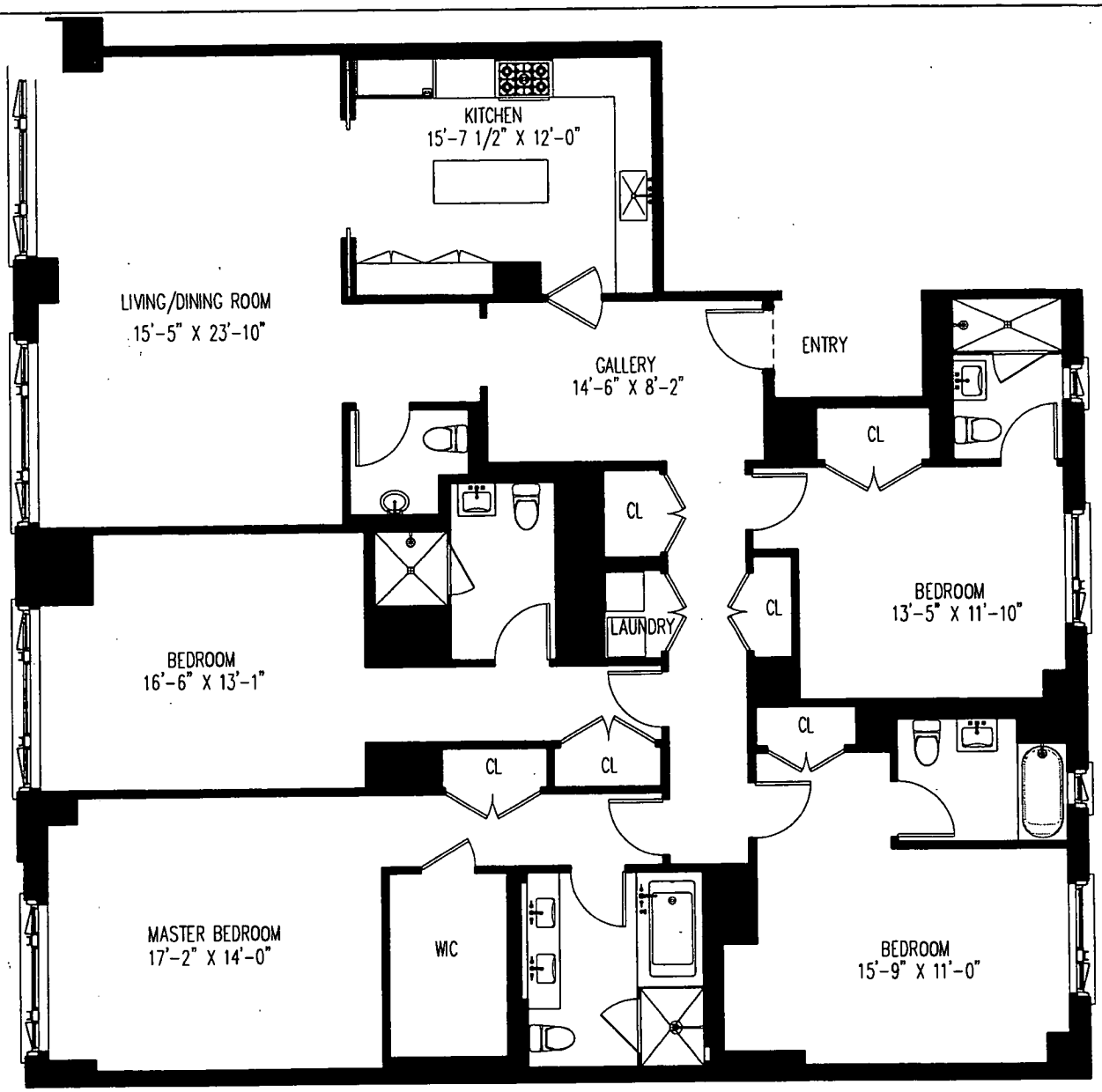
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

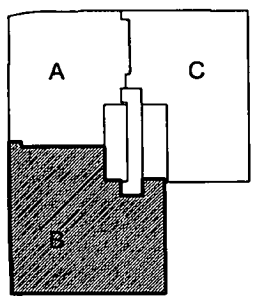
CETRA/CRI ARCHITECTURE PLLC
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New York, N.Y. 10012

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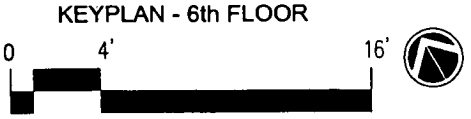


RESIDENCE 6B

2,620 SF



KEYPLAN - 6th FLOOR

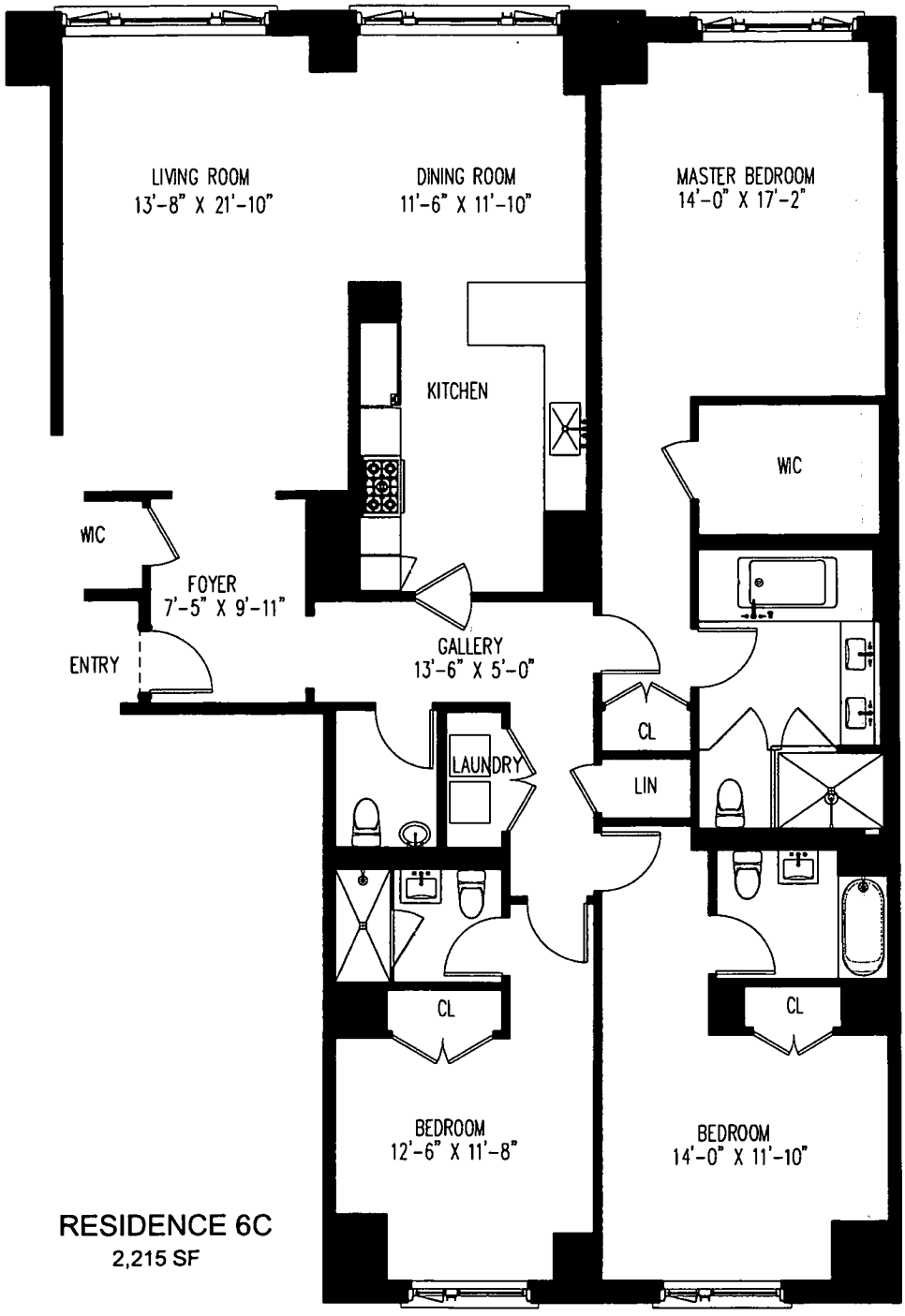


4 BEDROOMS
4 1/2 BATHROOMS

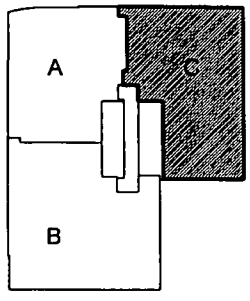
200 East 79th Street
New York, New York

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RESIDENCE 6C
2,215 SF



KEYPLAN - 6th FLOOR

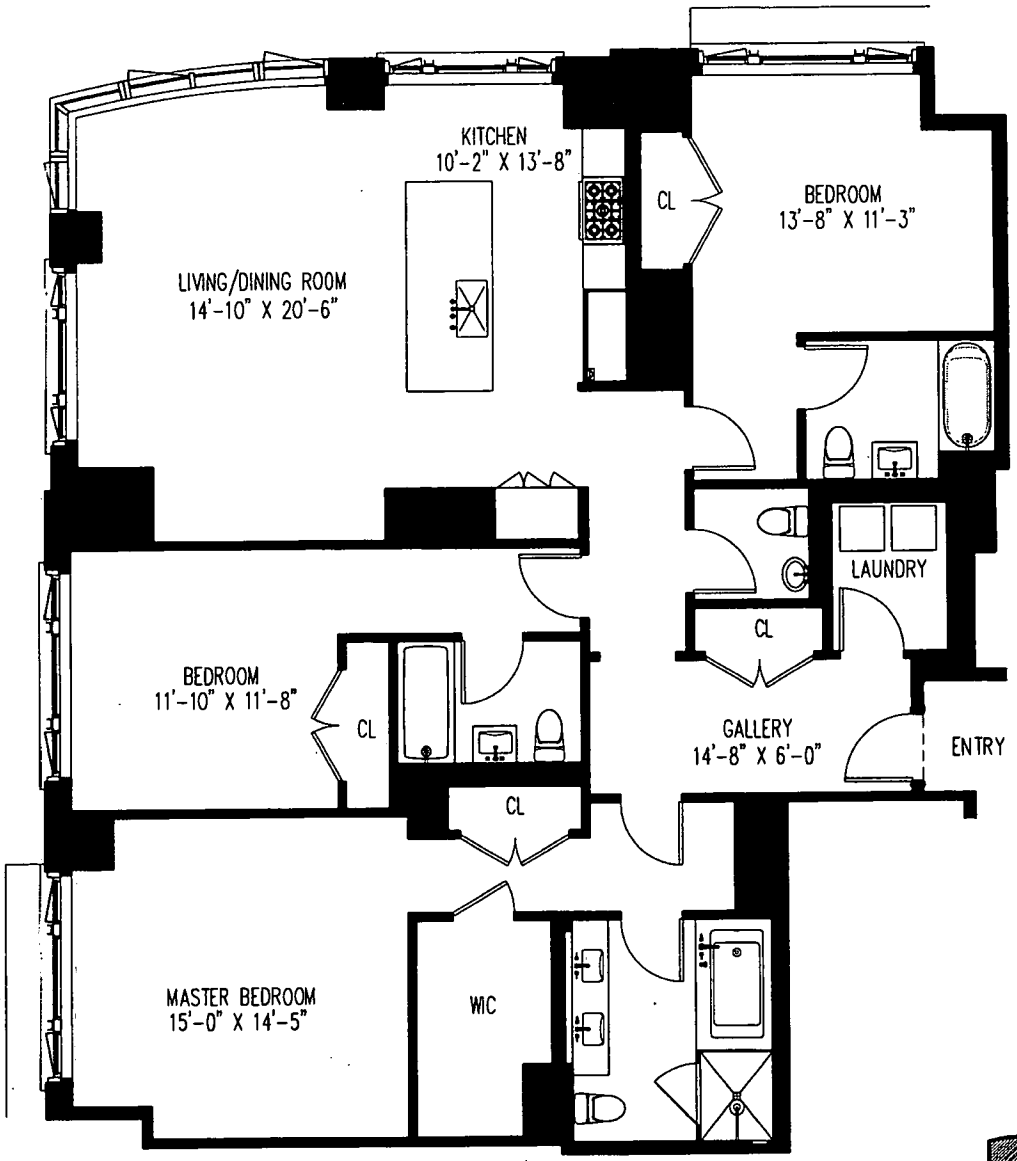
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

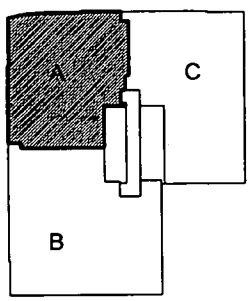
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RESIDENCE 7A

1,920 SF



KEYPLAN - 7th FLOOR

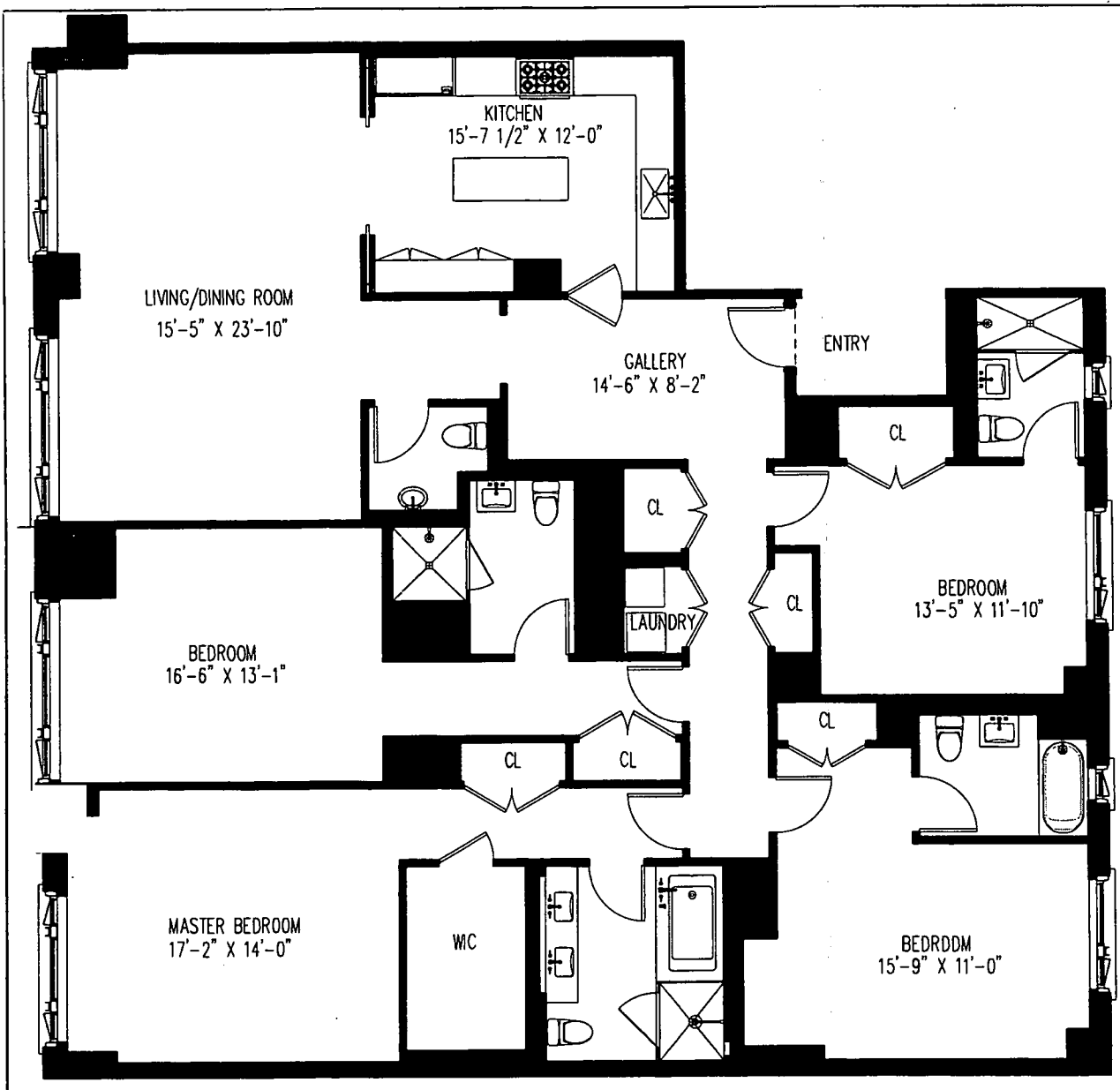
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

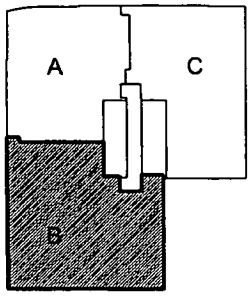
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RESIDENCE 7B

2,620 SF



KEYPLAN - 7th FLOOR

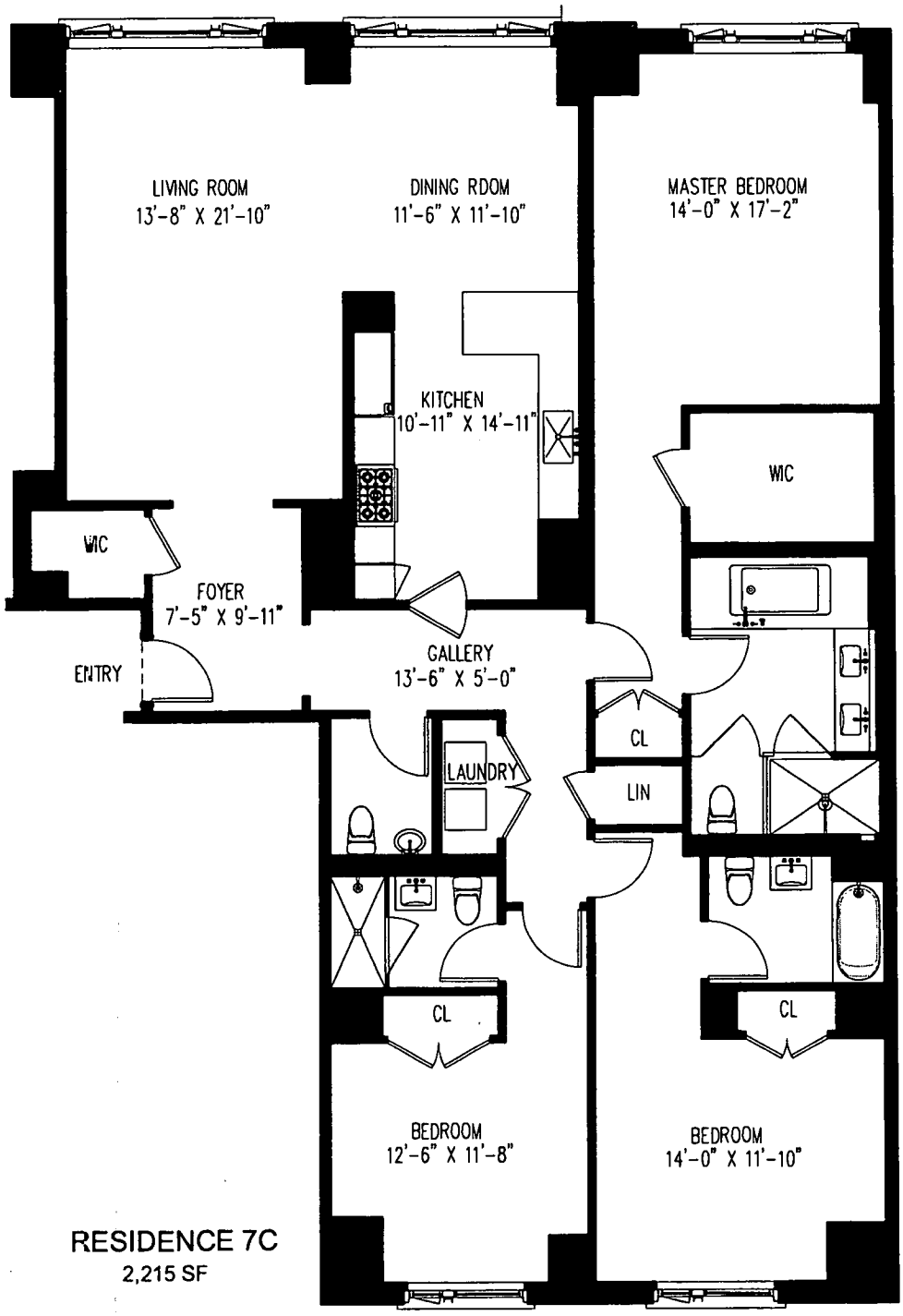
4 BEDROOMS
4 1/2 BATHROOMS

0 4' 16'

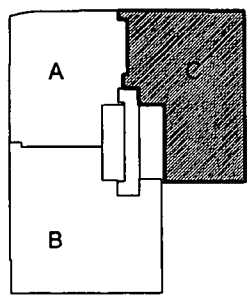
200 East 79th Street
New York, New York

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RESIDENCE 7C
2,215 SF



KEYPLAN - 7th FLOOR

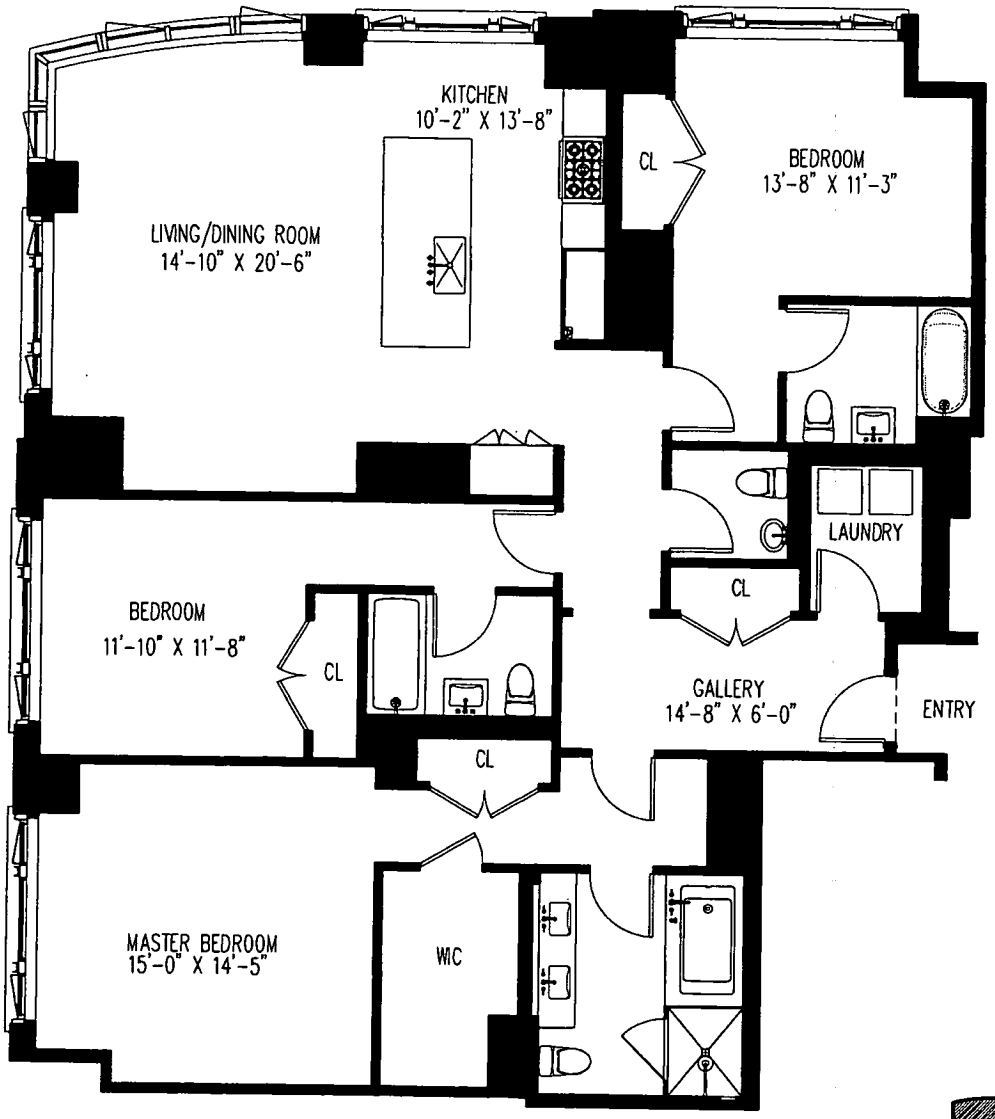
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

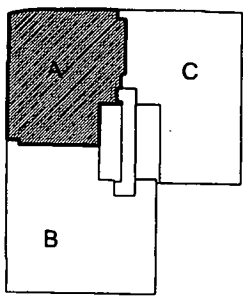
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RESIDENCE 8A

1,920 SF



KEYPLAN - 8th FLOOR

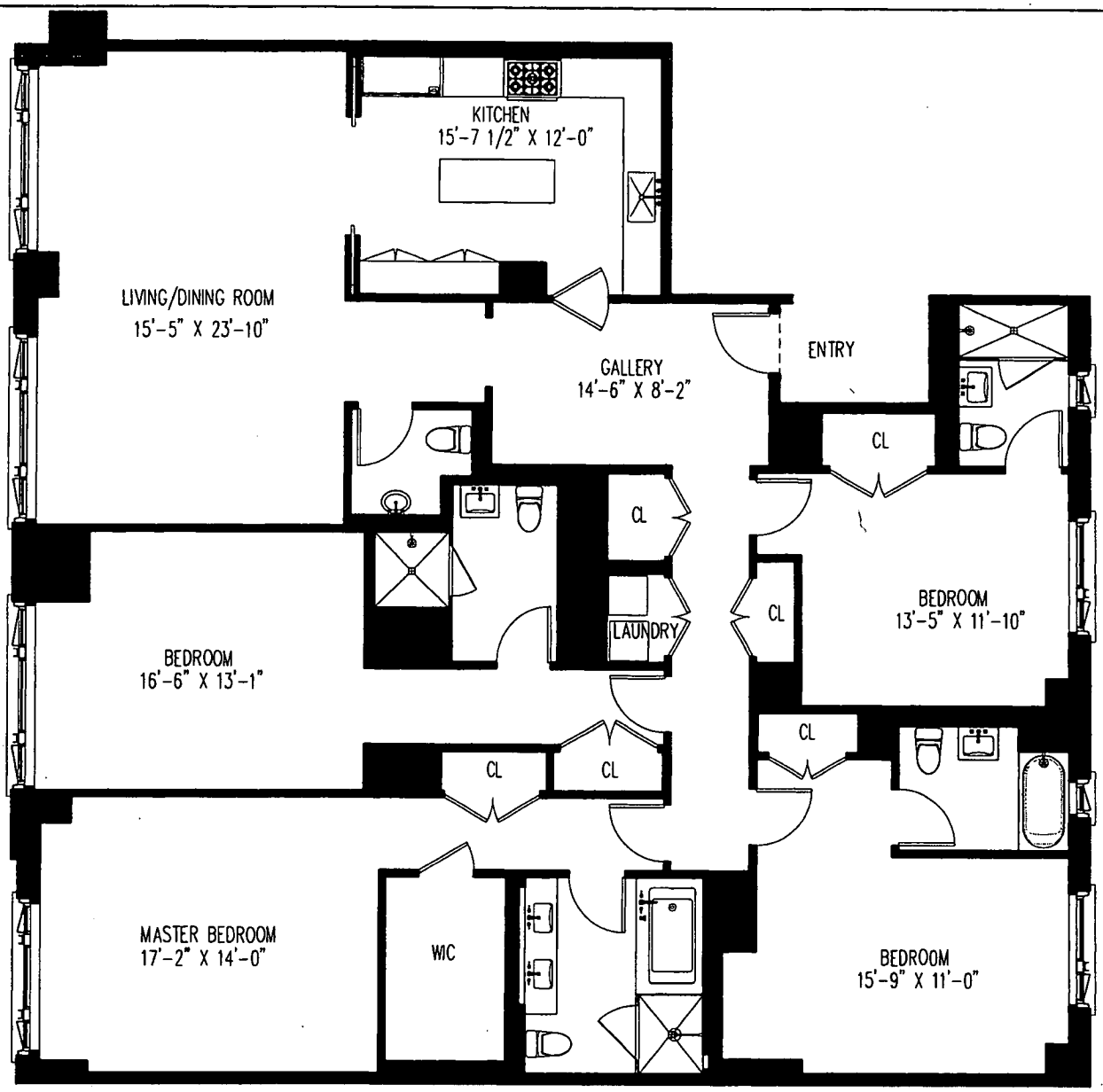
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

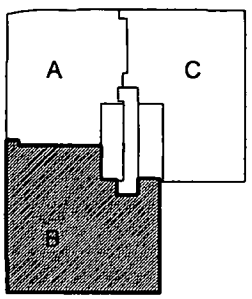
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RESIDENCE 8B

2,620 SF



KEYPLAN - 8th FLOOR

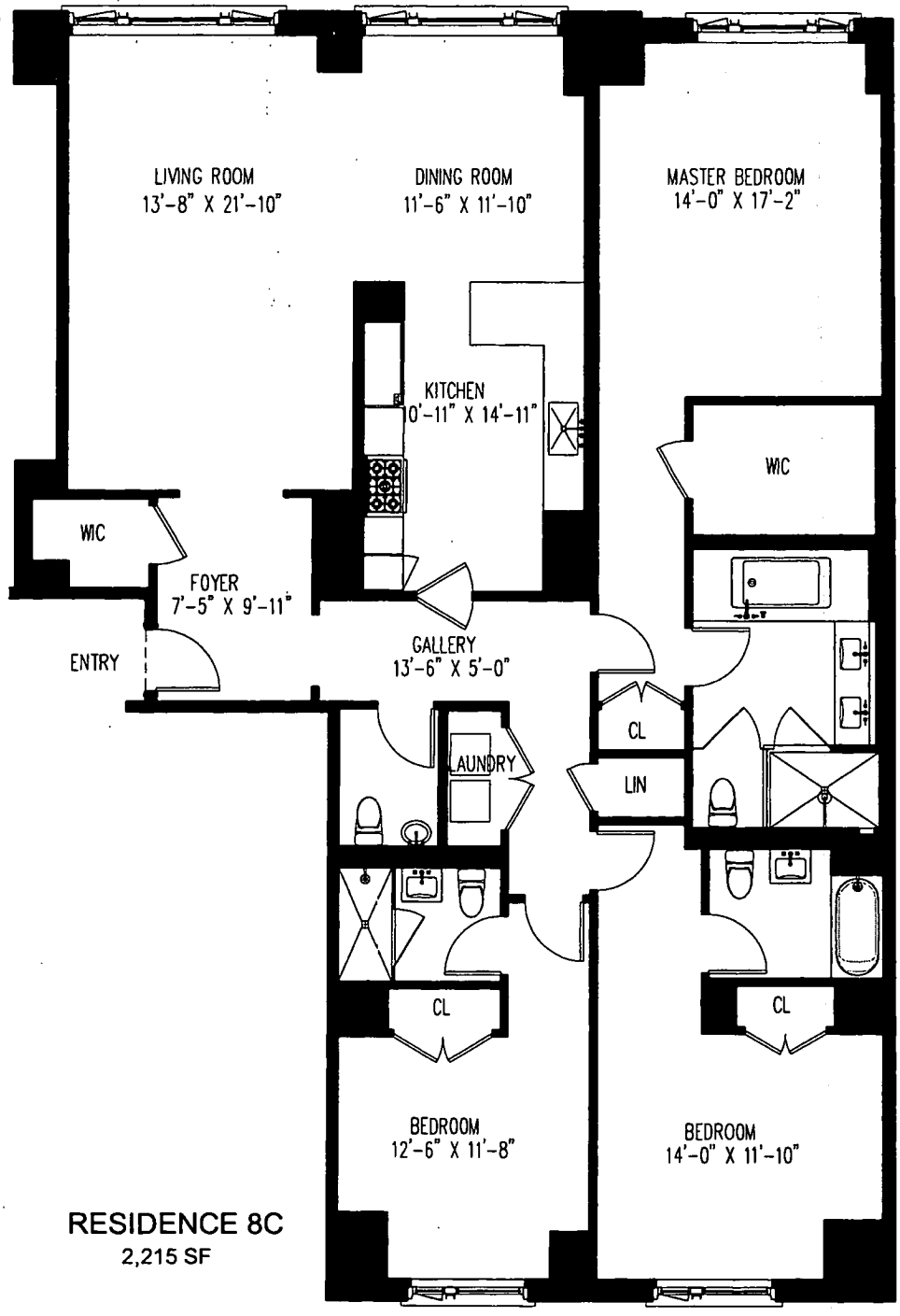
4 BEDROOMS
4 1/2 BATHROOMS



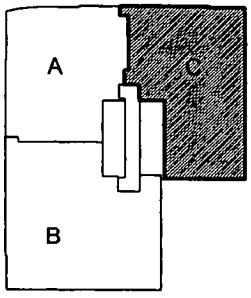
200 East 79th Street
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RESIDENCE 8C
2,215 SF



KEYPLAN - 8th FLOOR

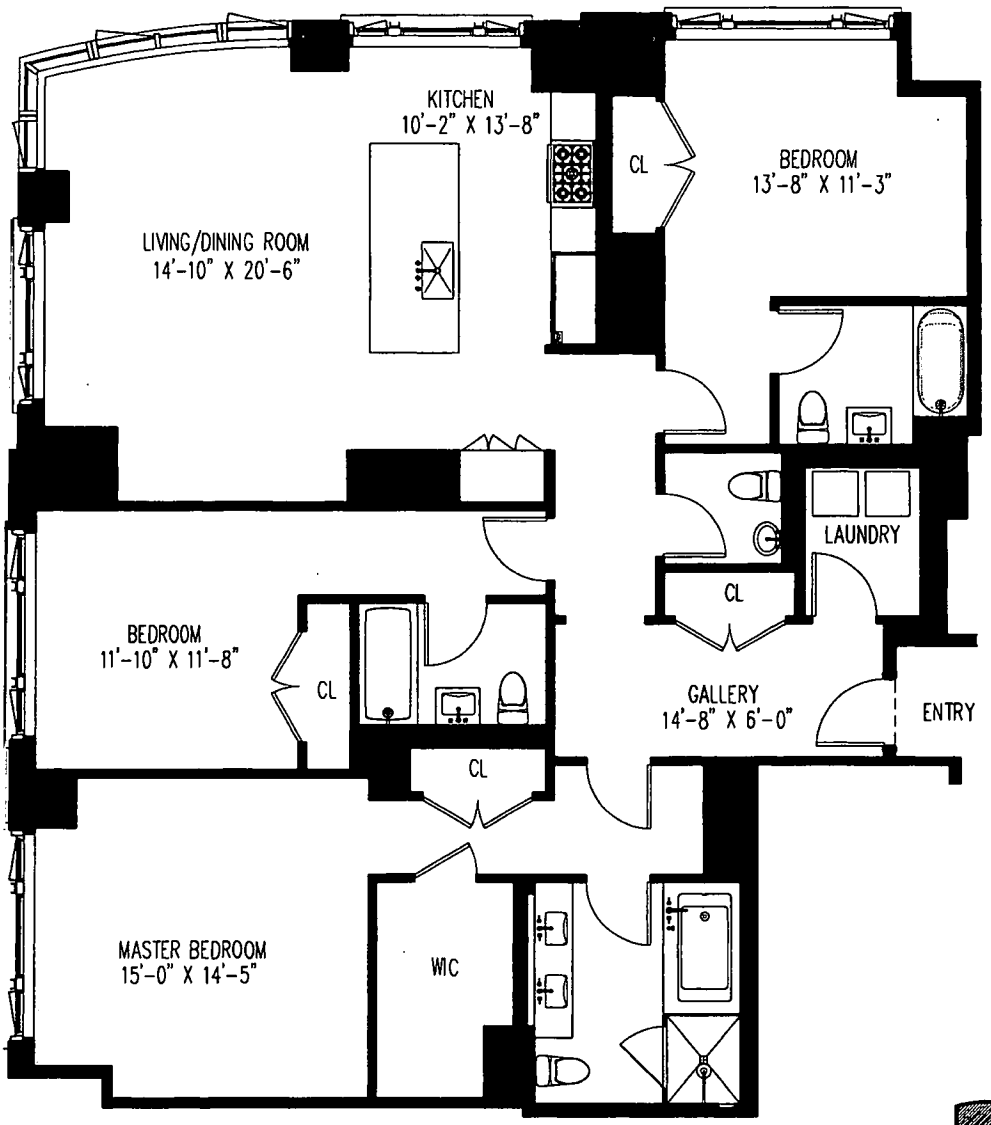
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

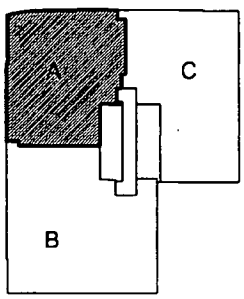
CETRA/CRI ARCHITECTURE PLLC
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RESIDENCE 9A

1,920 SF



KEYPLAN - 9th FLOOR

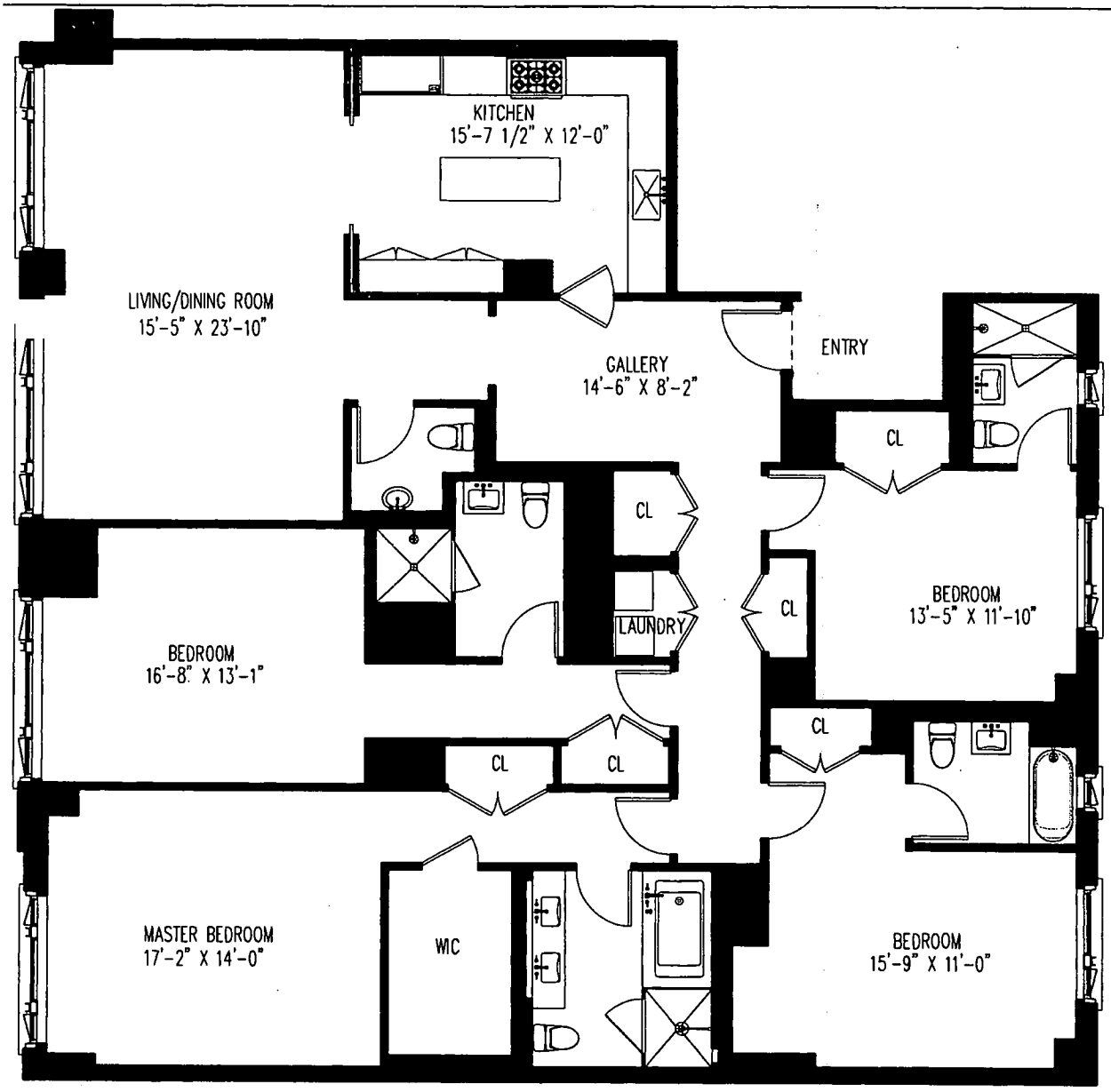
3 BEDROOMS
3 1/2 BATHROOMS



200 East 79th Street
New York, New York

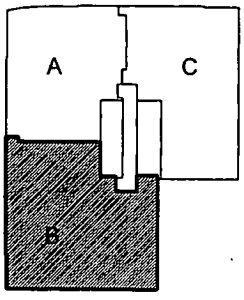
CETRA/CRI ARCHITECTURE PLLC
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RESIDENCE 9B

2,620 SF



KEYPLAN - 9th FLOOR

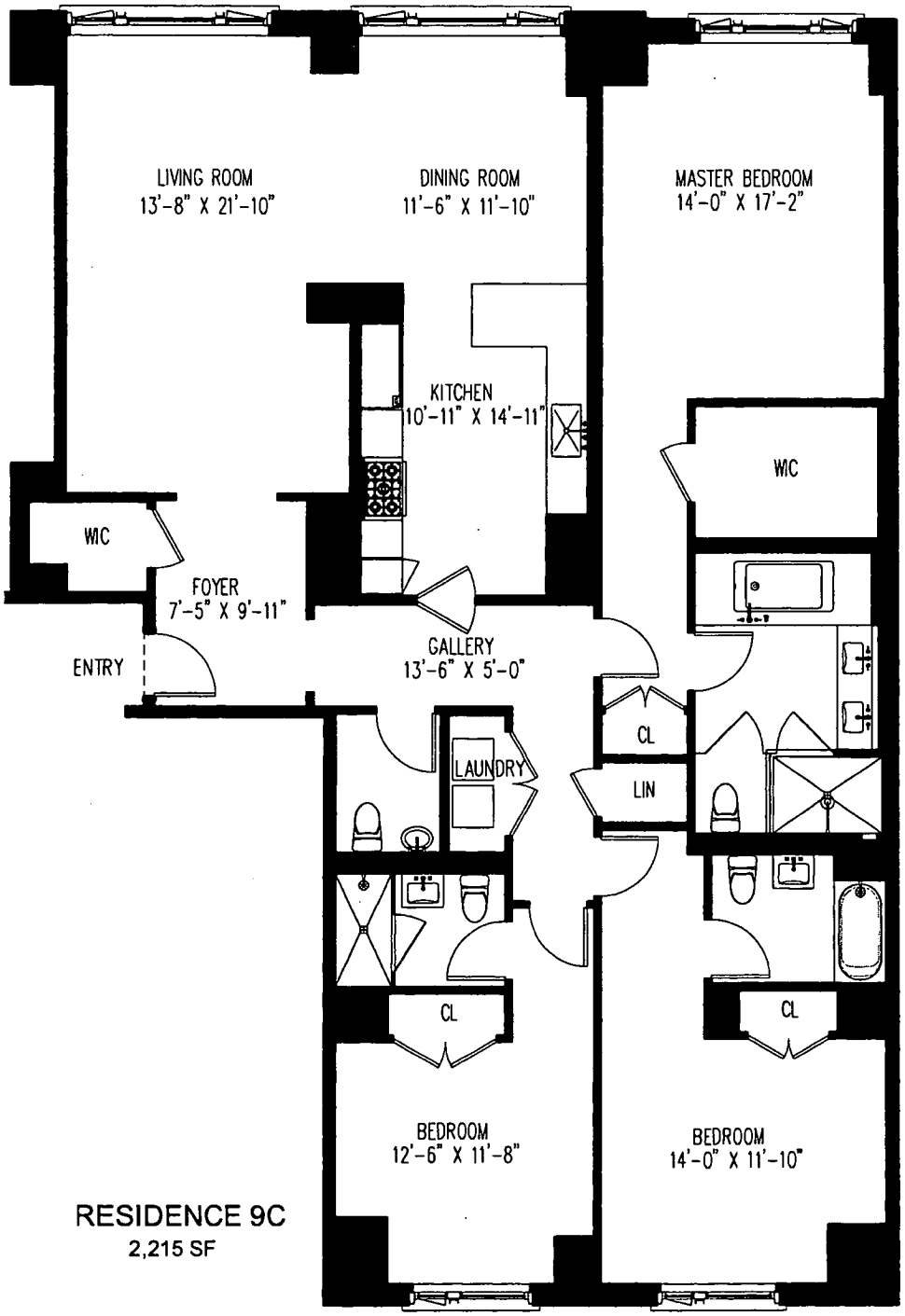
4 BEDROOMS
4 1/2 BATHROOMS



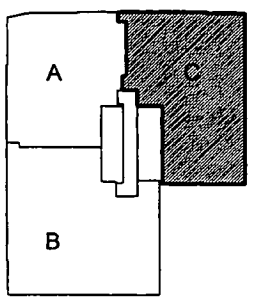
200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
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New York, N.Y. 10012

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RESIDENCE 9C
2,215 SF



KEYPLAN - 9th FLOOR

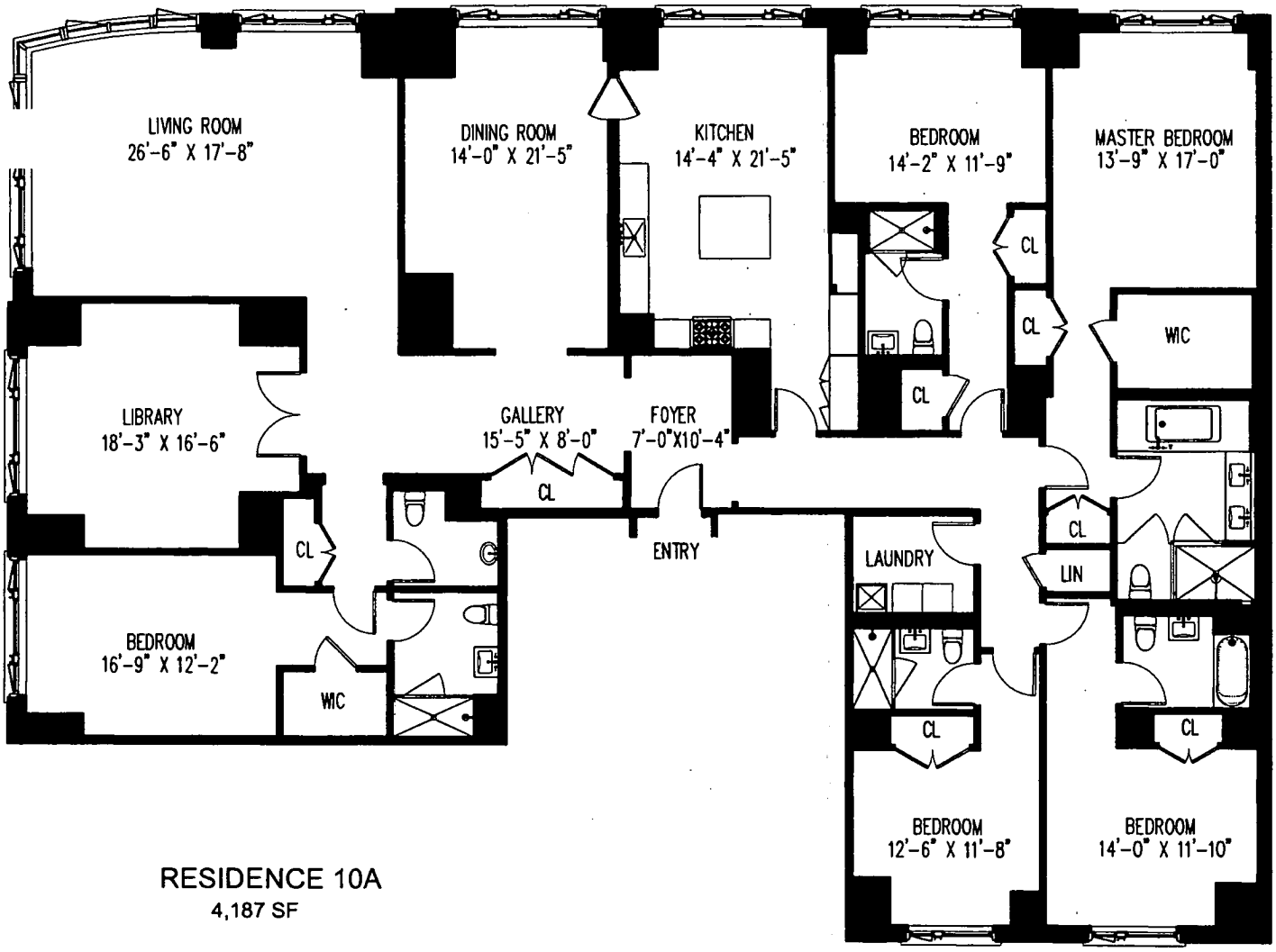
3 BEDROOMS
3 1/2 BATHROOMS



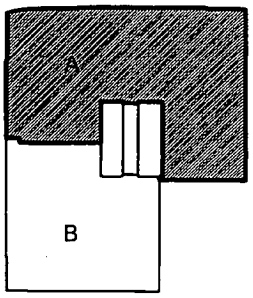
200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

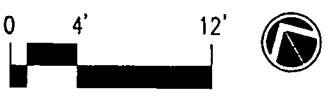
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL SUBTRACT CUT-OUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN. FLOOR NUMBERING REPRESENTS SALES UNIT DESIGNATIONS AND MAY VARY FROM CONSTRUCTION UNIT DESIGNATIONS.



RESIDENCE 10A
4,187 SF



KEYPLAN - 10th FLOOR

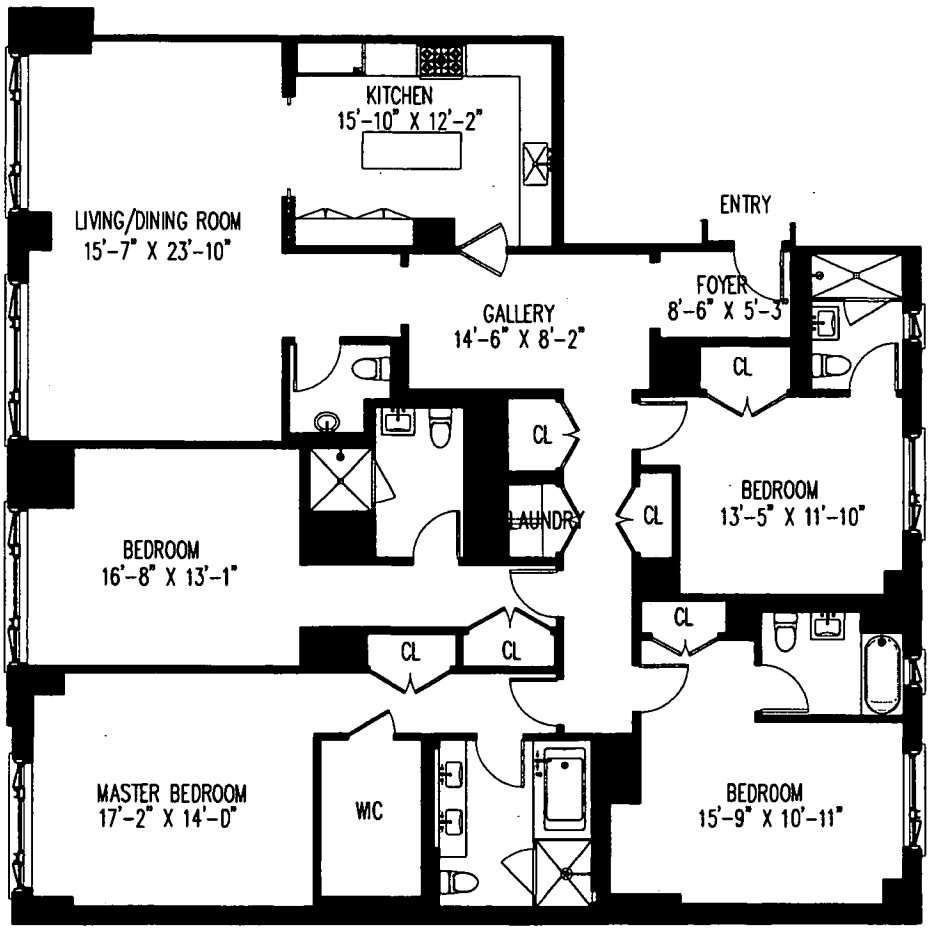


5 BEDROOMS
5 1/2 BATHROOMS

200 East 79th Street
New York, New York

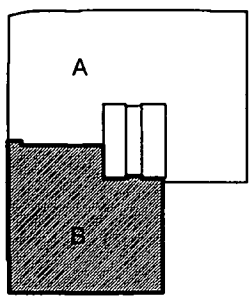
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL SUBTRACT CUT-OUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN. FLOOR NUMBERING REPRESENTS SALES UNIT DESIGNATIONS AND MAY VARY FROM CONSTRUCTION UNIT DESIGNATIONS.



RESIDENCE 10B

2,664 SF



KEYPLAN - 10th FLOOR

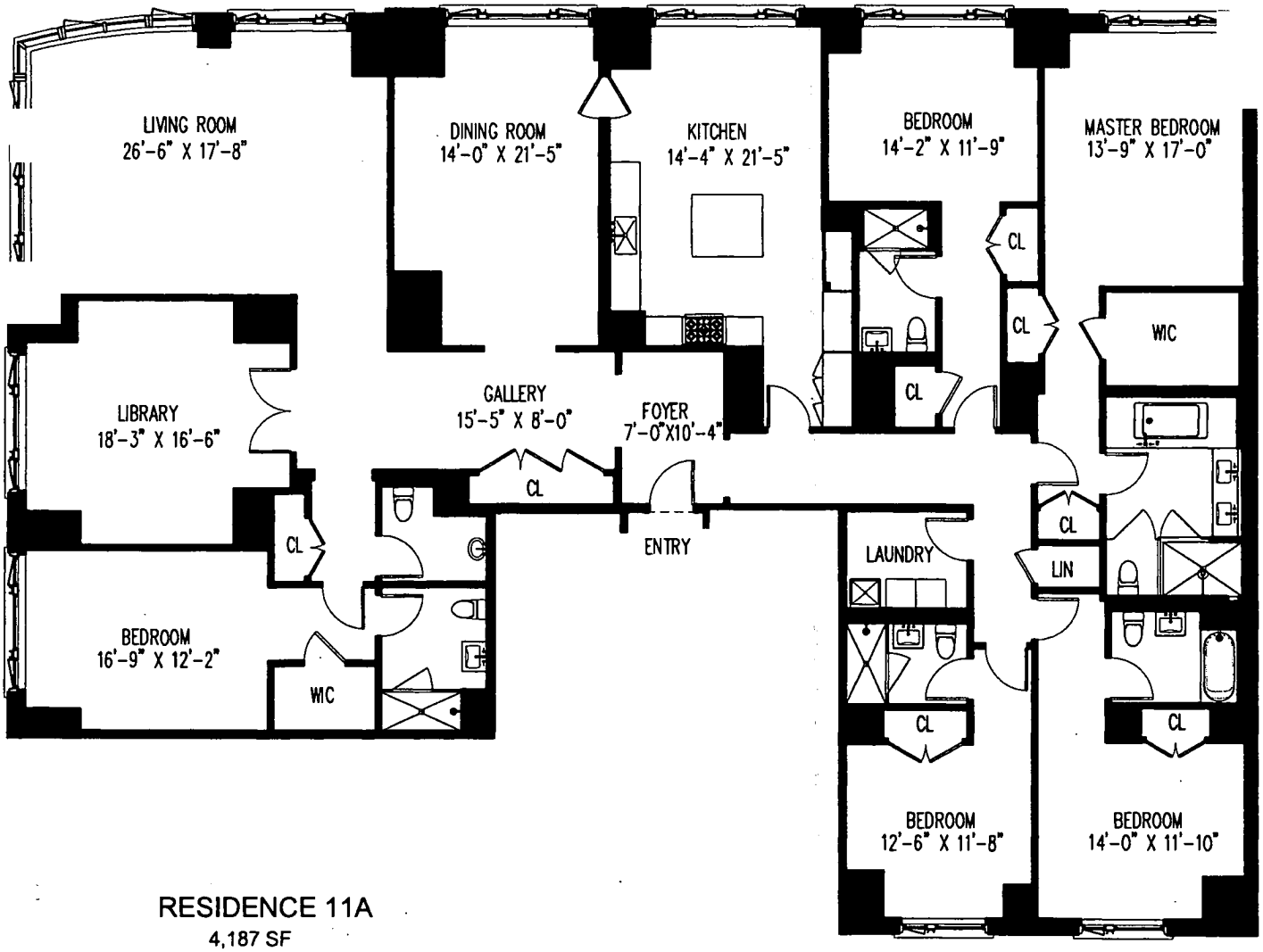


4 BEDROOMS
4 1/2 BATHROOMS

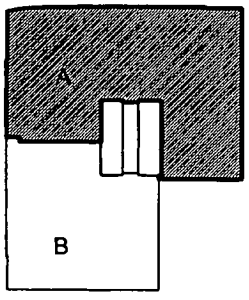
200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 11A
4,187 SF



KEYPLAN - 11th FLOOR

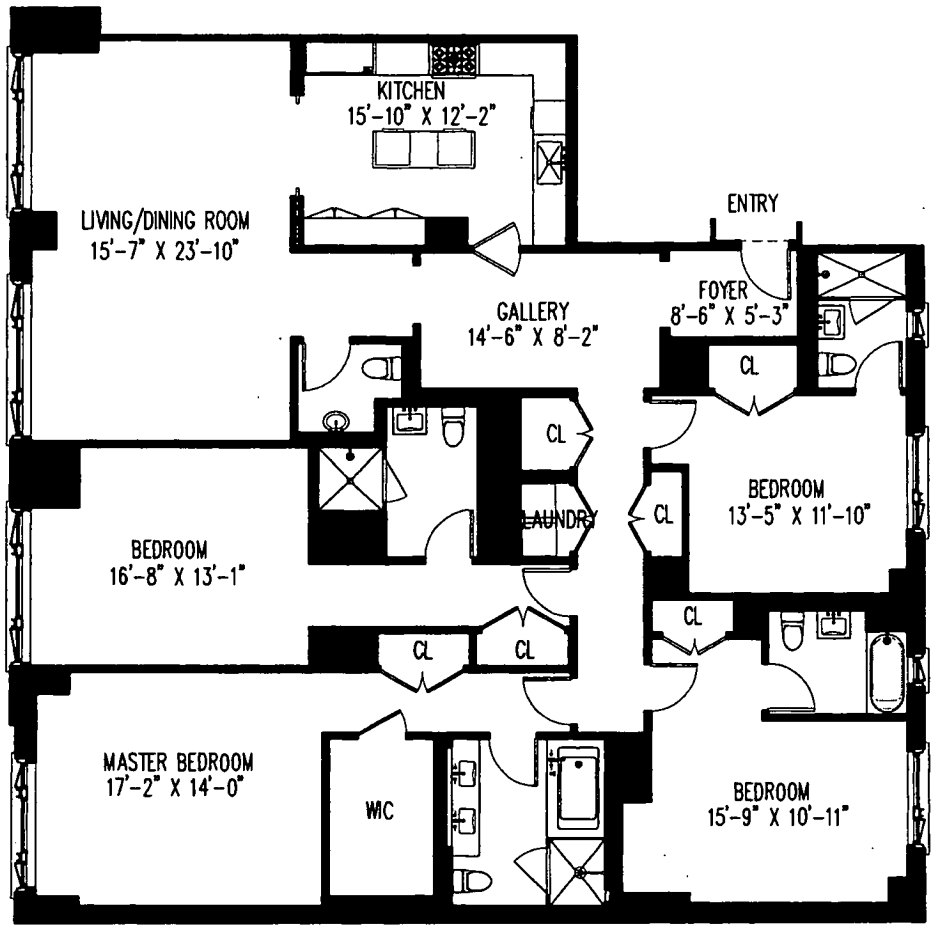
0 4' 12'

5 BEDROOMS
5 1/2 BATHROOMS

200 East 79th Street
New York, New York

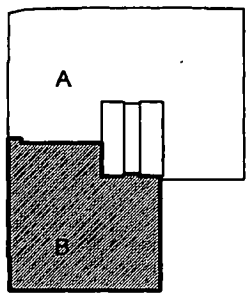
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 11B

2,664 SF



KEYPLAN - 11th FLOOR

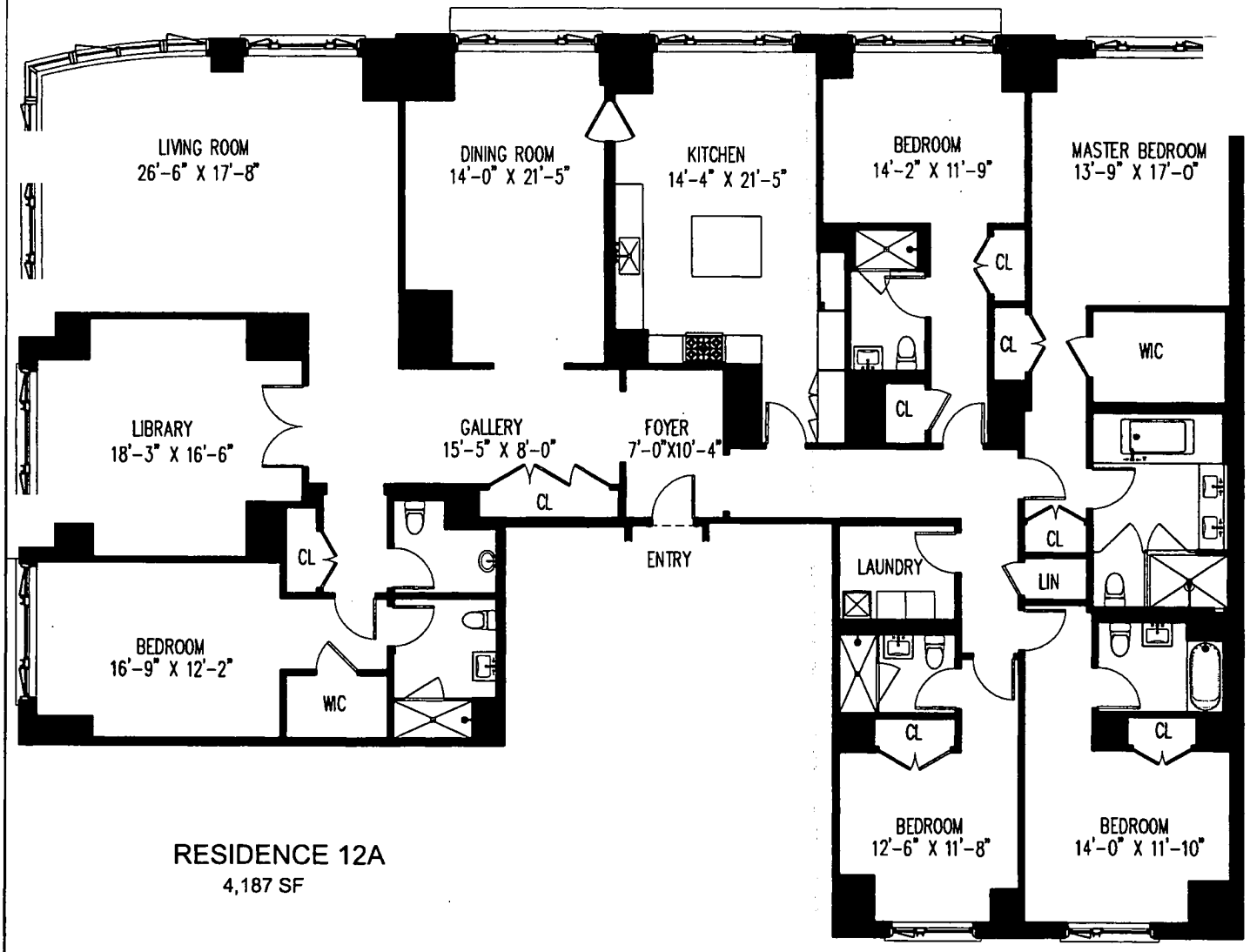


4 BEDROOMS
4 1/2 BATHROOMS

200 East 79th Street
New York, New York

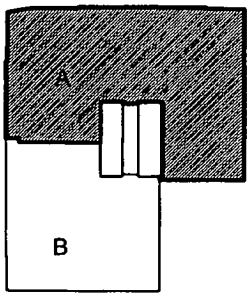
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 12A

4,187 SF



KEYPLAN - 12th FLOOR

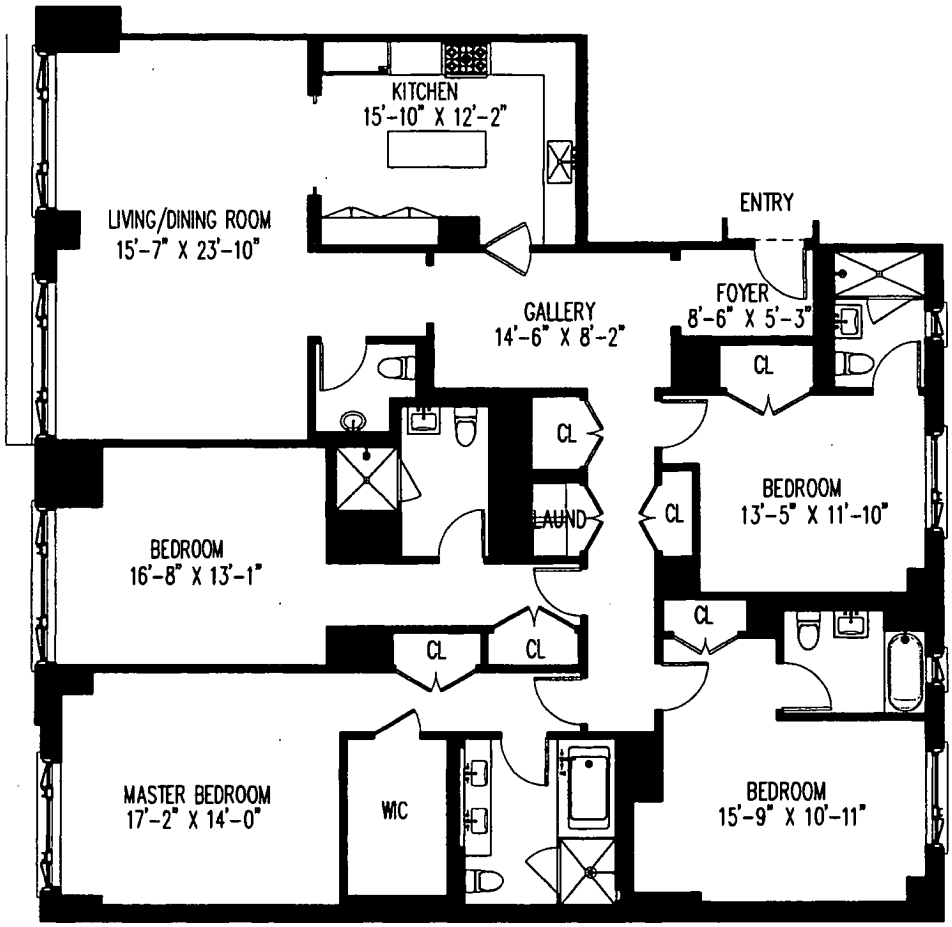


5 BEDROOMS
5 1/2 BATHROOMS

200 East 79th Street
New York, New York

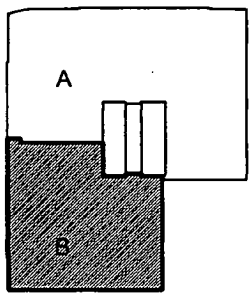
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 12B

2,664 SF



KEYPLAN - 12th FLOOR

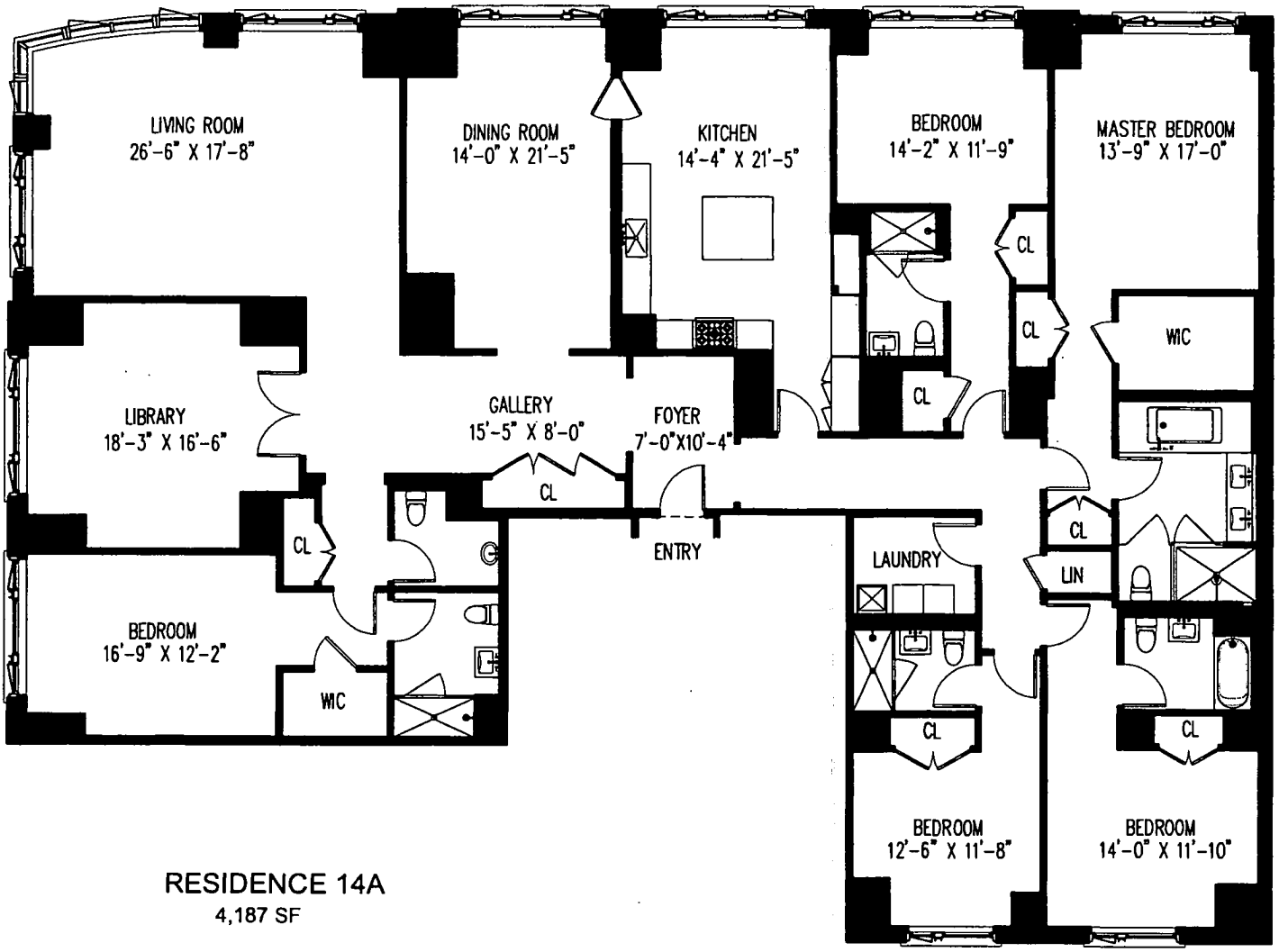


4 BEDROOMS
4 1/2 BATHROOMS

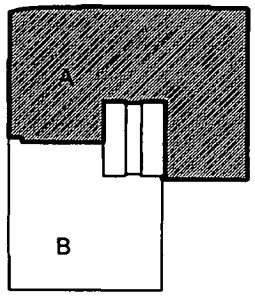
200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 14A
4,187 SF



KEYPLAN - 14th FLOOR

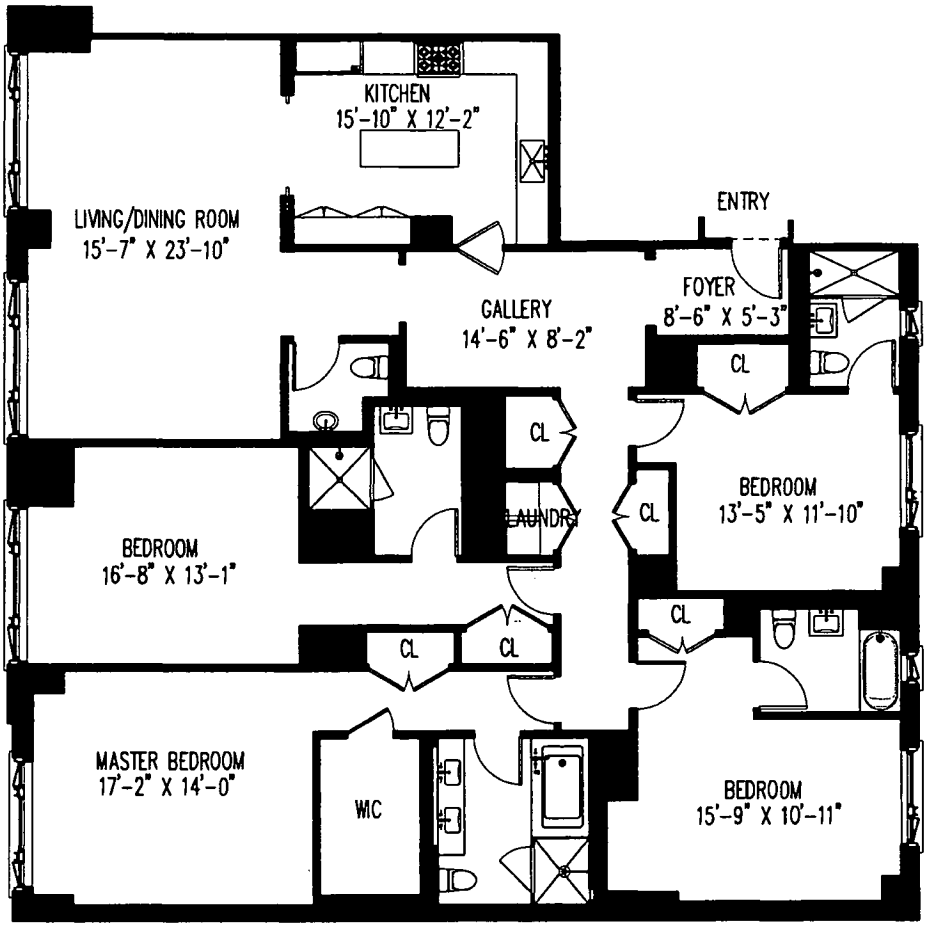


5 BEDROOMS
5 1/2 BATHROOMS

200 East 79th Street
New York, New York

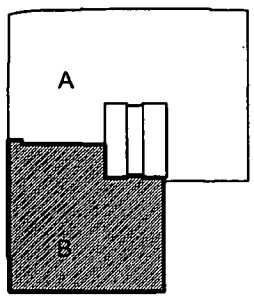
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 14B

2,664 SF



KEYPLAN - 14th FLOOR

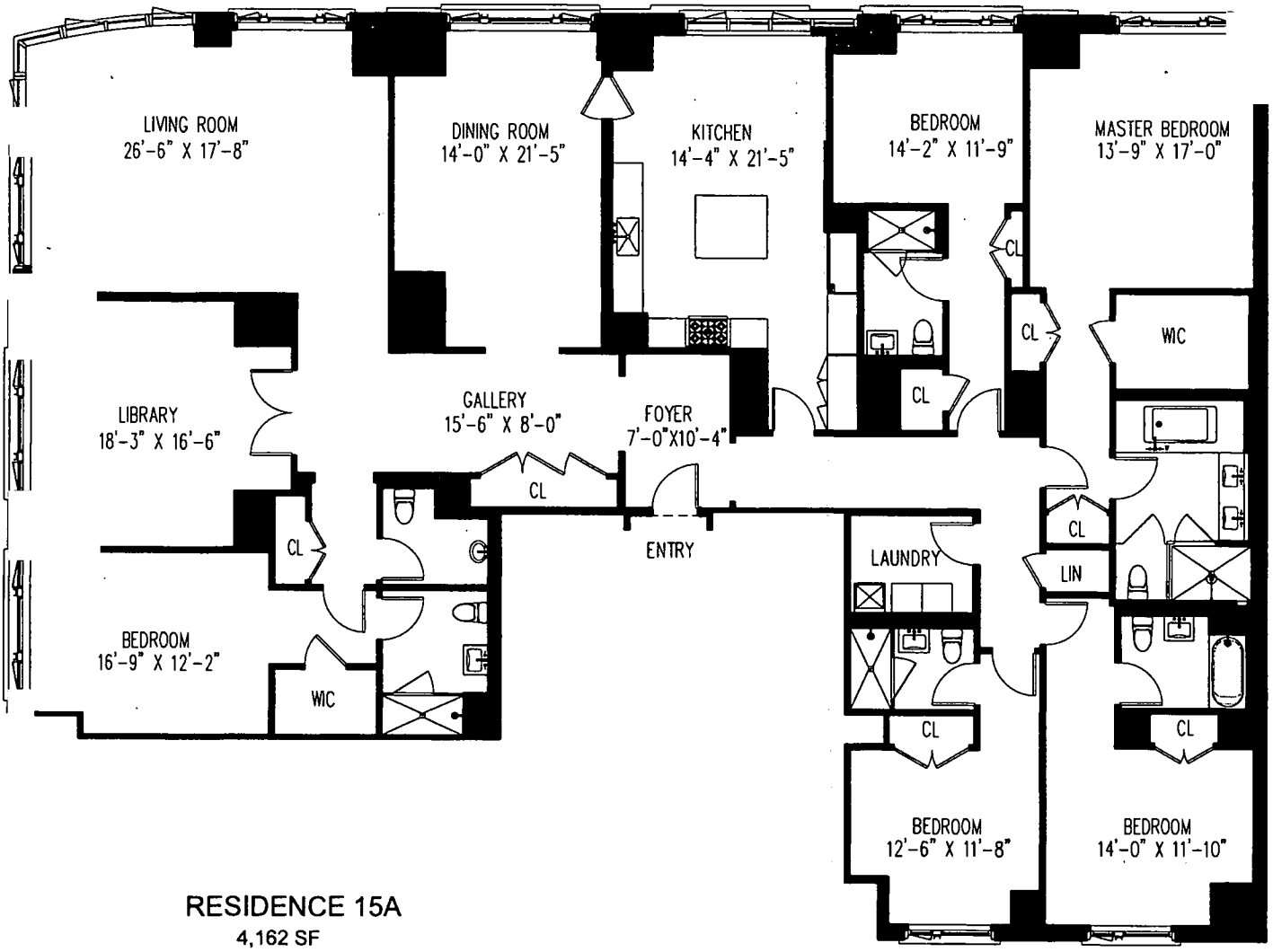


4 BEDROOMS
4 1/2 BATHROOMS

200 East 79th Street
New York, New York

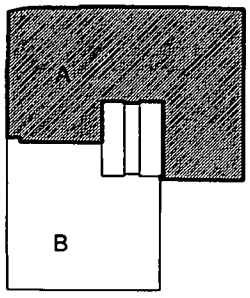
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 15A

4,162 SF



KEYPLAN - 15th FLOOR

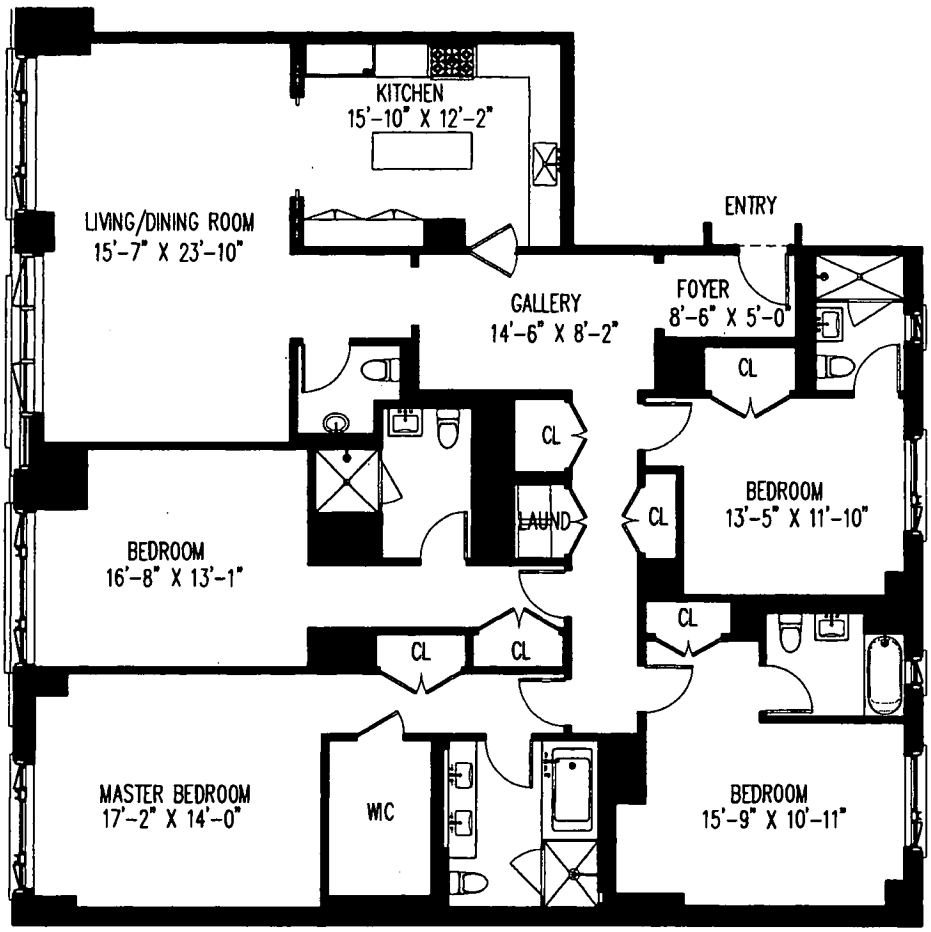
0 4' 12'

5 BEDROOMS
5 1/2 BATHROOMS

200 East 79th Street
New York, New York

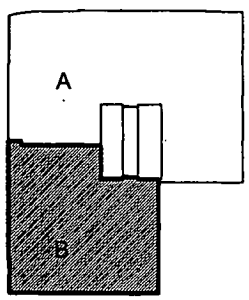
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 15B

2,650 SF



KEYPLAN - 15h FLOOR

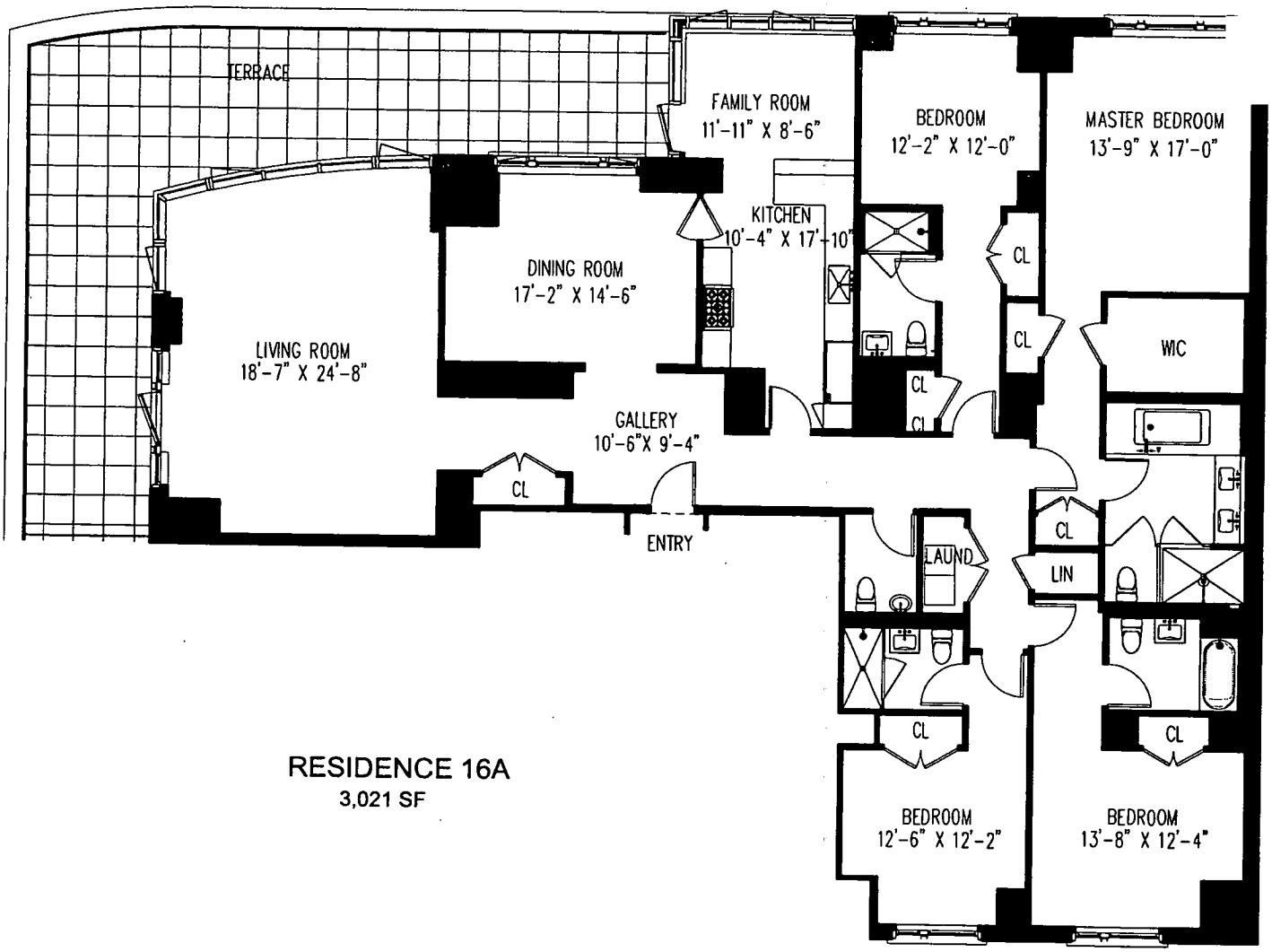
4 BEDROOMS
4 1/2 BATHROOMS



200 East 79th Street
New York, New York

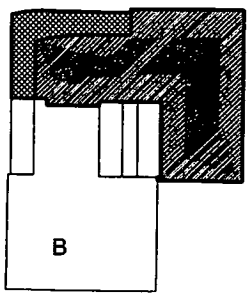
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 16A

3,021 SF



KEYPLAN - 16th FLOOR

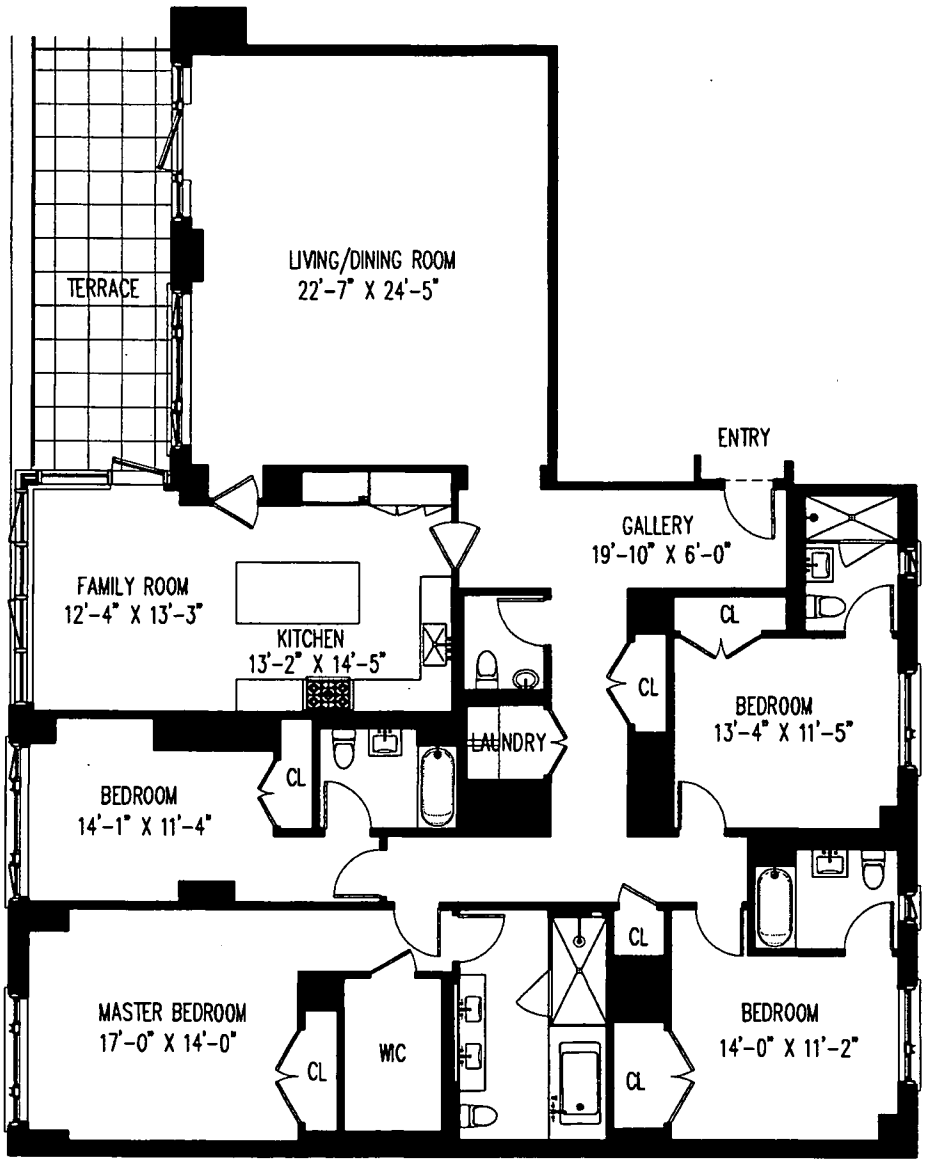


4 BEDROOMS
4 1/2 BATHROOMS
TERRACE AREA: 686 SF

200 East 79th Street
New York, New York

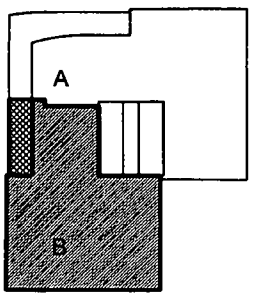
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 16B

2,871 SF



KEYPLAN - 16th FLOOR

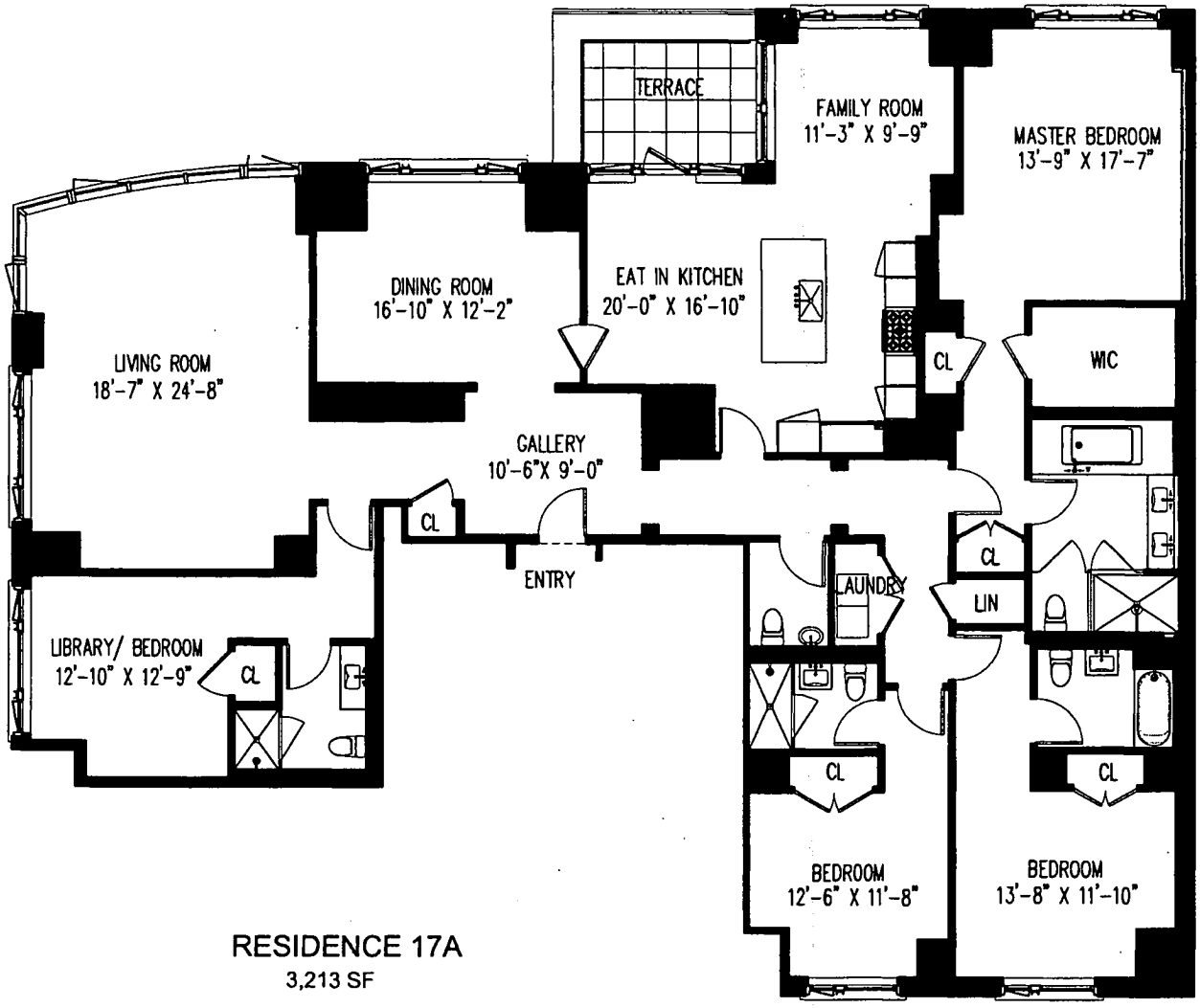
4 BEDROOMS
4 1/2 BATHROOMS
TERRACE AREA: 242 SF



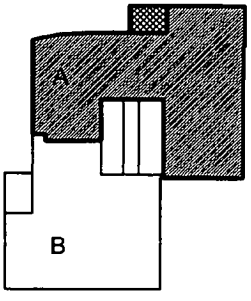
200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC .
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 17A
3,213 SF



KEYPLAN - 17th FLOOR

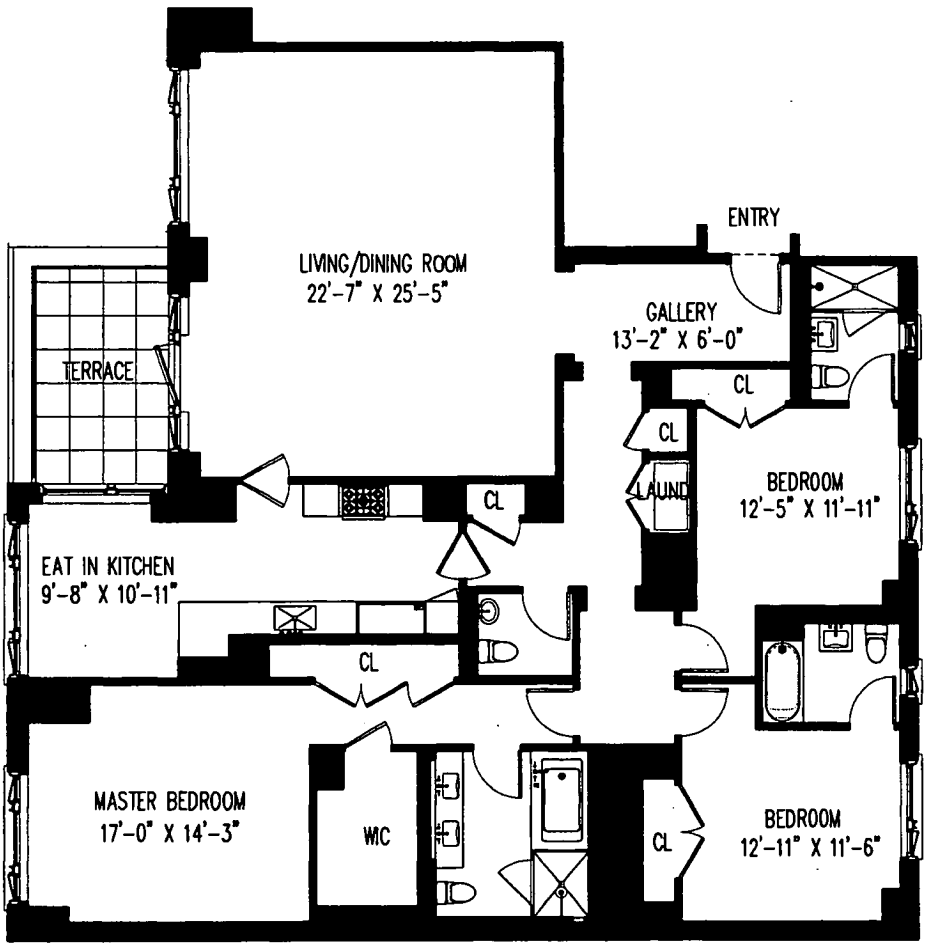
0 4' 12'

4 BEDROOMS
4 1/2 BATHROOMS
TERRACE AREA: 123 SF

200 East 79th Street
New York, New York

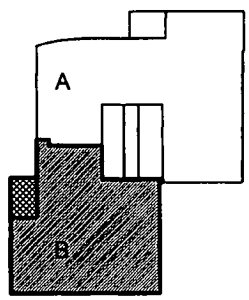
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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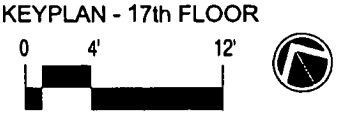


RESIDENCE 17B

2,419 SF



KEYPLAN - 17th FLOOR

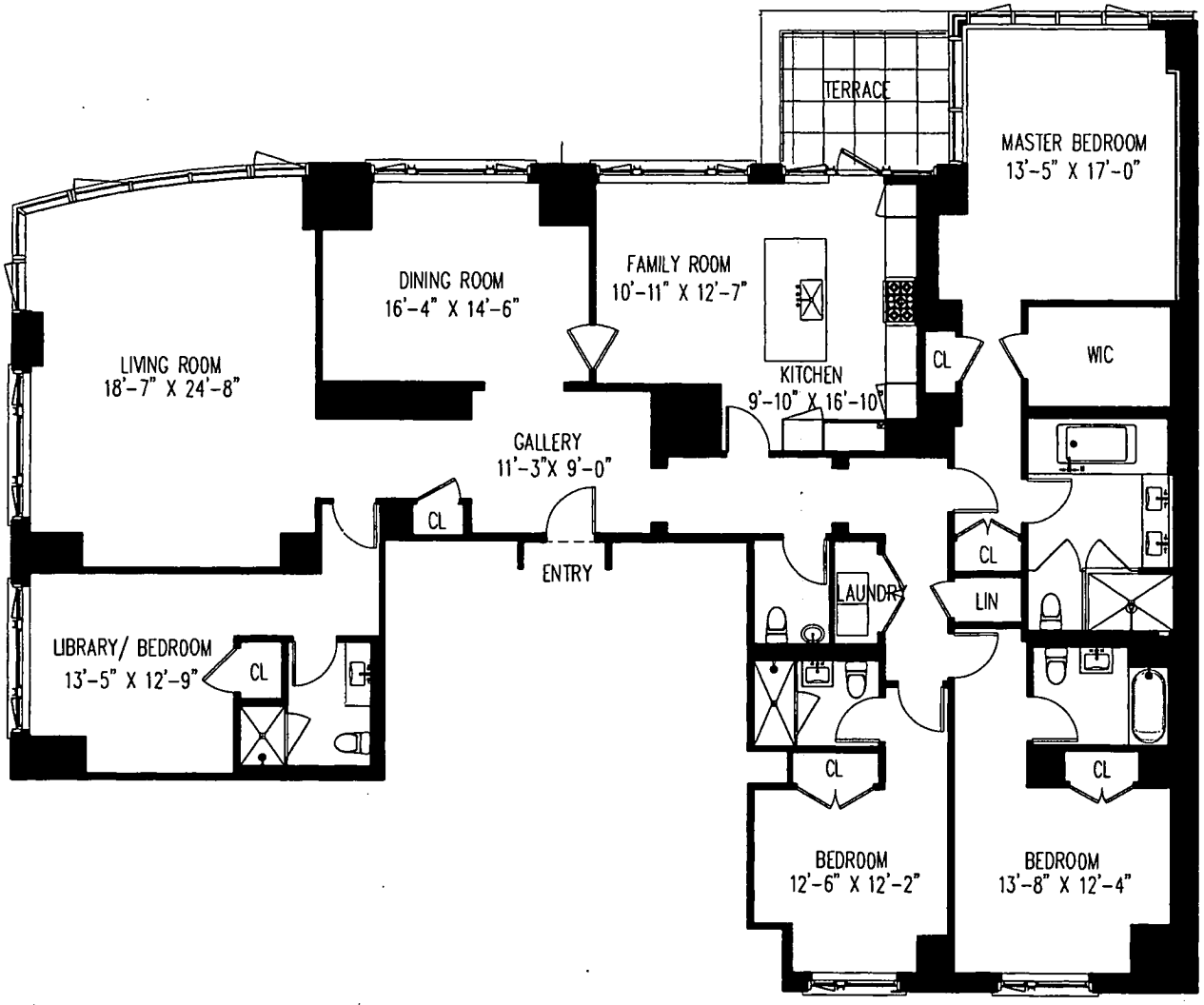


3 BEDROOMS
3 1/2 BATHROOMS
TERRACE AREA: 136 SF

200 East 79th Street
New York, New York

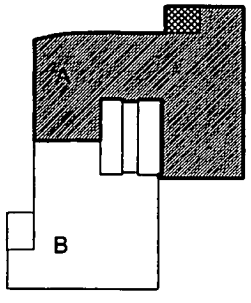
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 18A

3,096 SF



KEYPLAN - 18th FLOOR

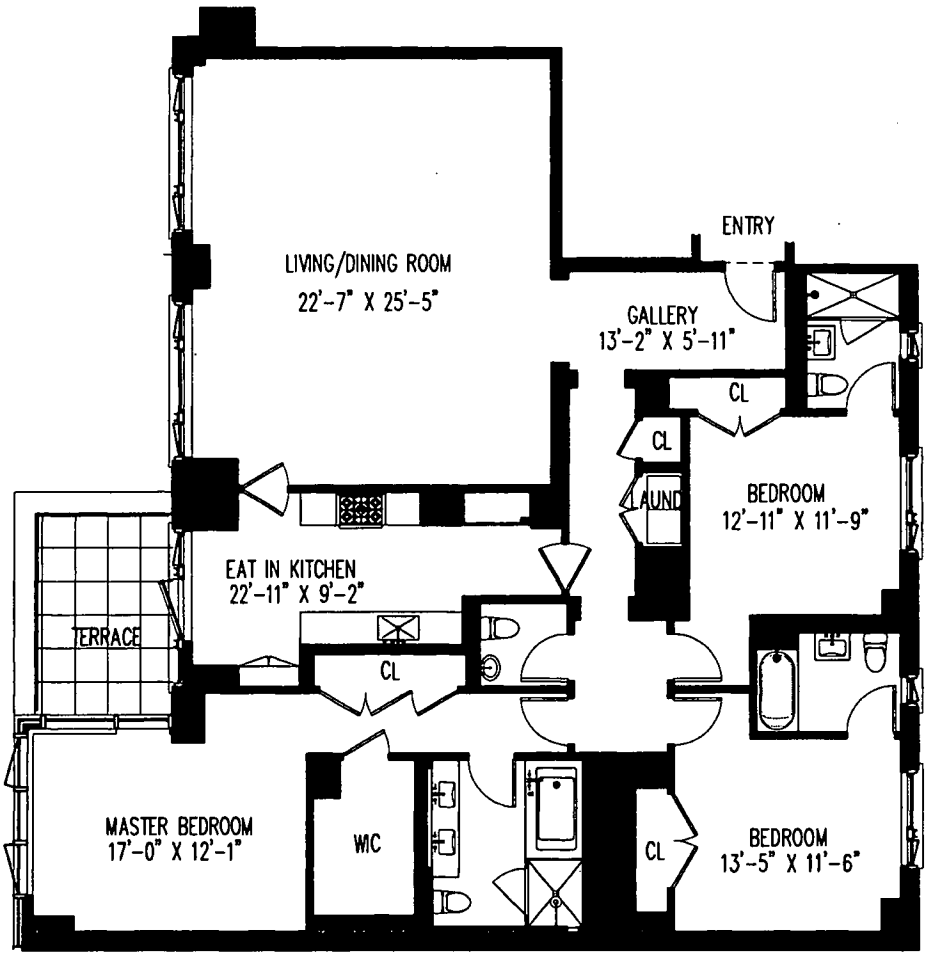


4 BEDROOMS
4 1/2 BATHROOMS
TERRACE AREA: 117 SF

200 East 79th Street
New York, New York

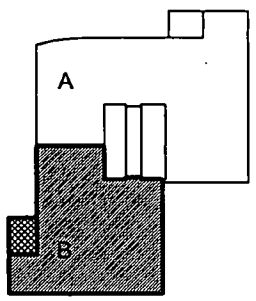
CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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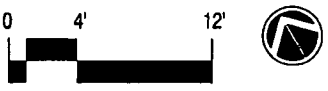


RESIDENCE 18B

2,290 SF



KEYPLAN - 18th FLOOR

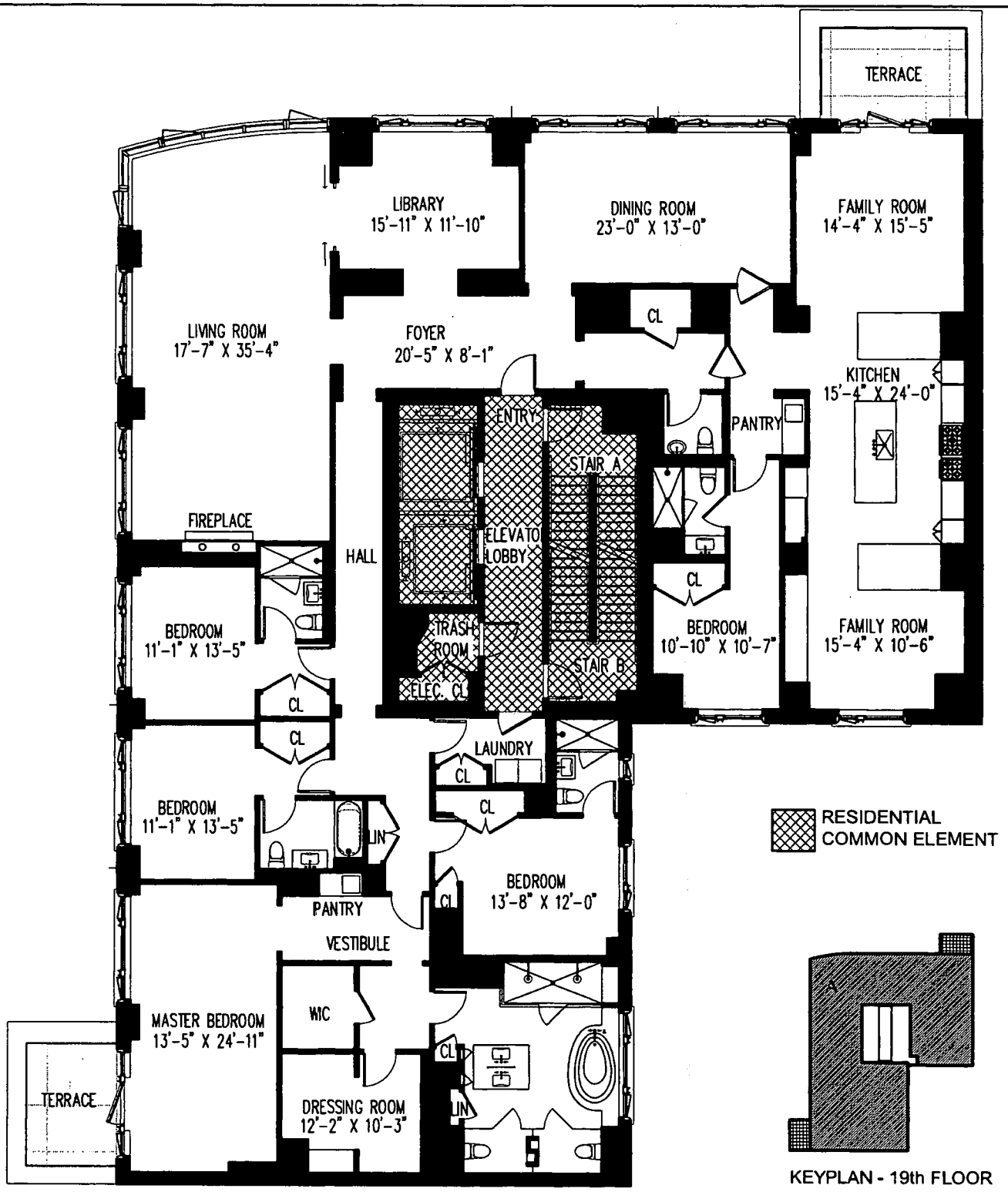


3 BEDROOMS
3 1/2 BATHROOMS
TERRACE AREA: 129 SF

200 East 79th Street
New York, New York

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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RESIDENCE 19A

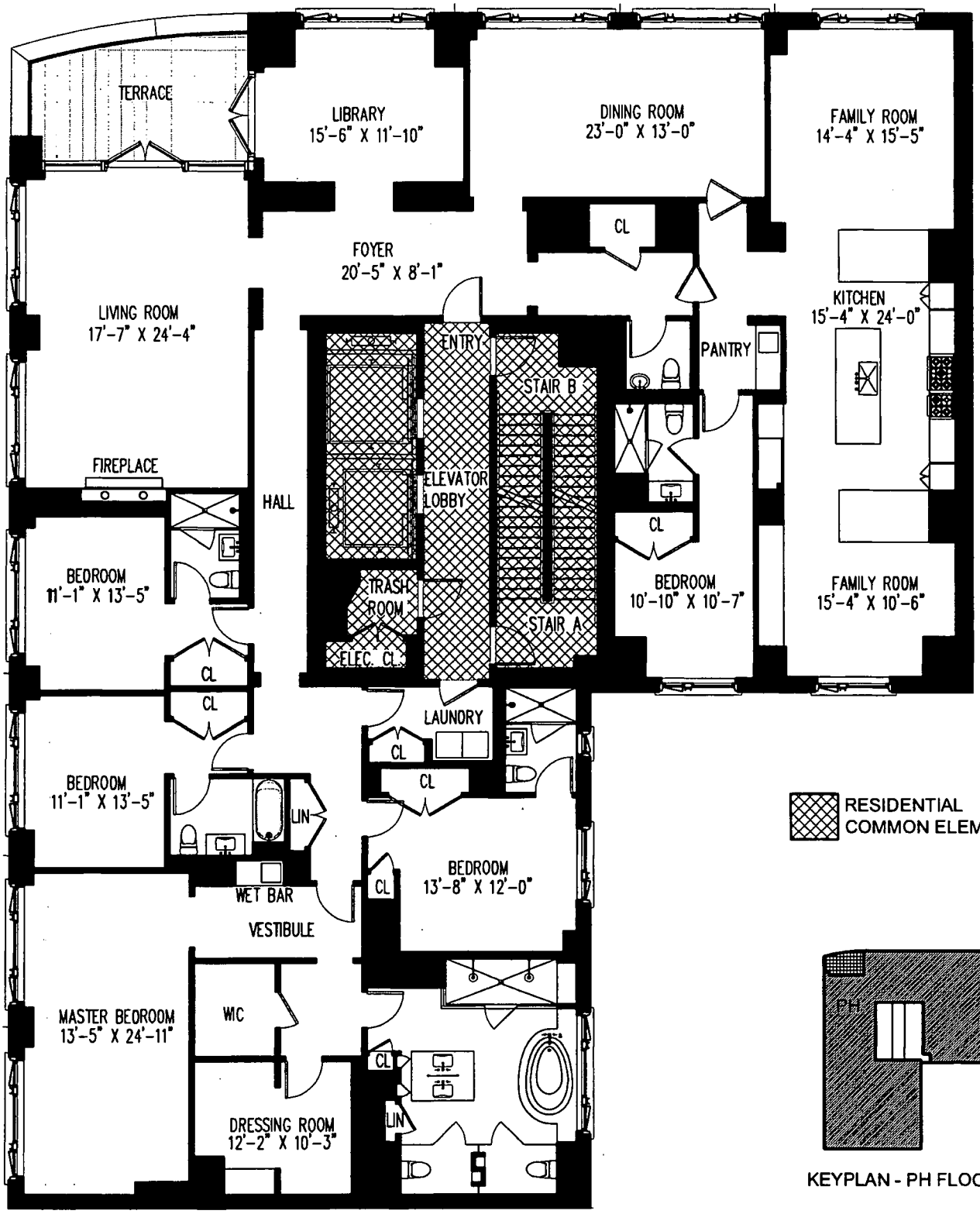
5,100 SF

5 BEDROOMS
5 1/2 BATHROOMS
TOTAL TERRACE AREA: 277 SF

200 East 79th Street
New York, New York

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584 Broadway, Room 401
New York, N.Y. 10012

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL SUBTRACT CUT-OUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN. FLOOR NUMBERING REPRESENTS SALES UNIT DESIGNATIONS AND MAY VARY FROM CONSTRUCTION UNIT DESIGNATIONS.



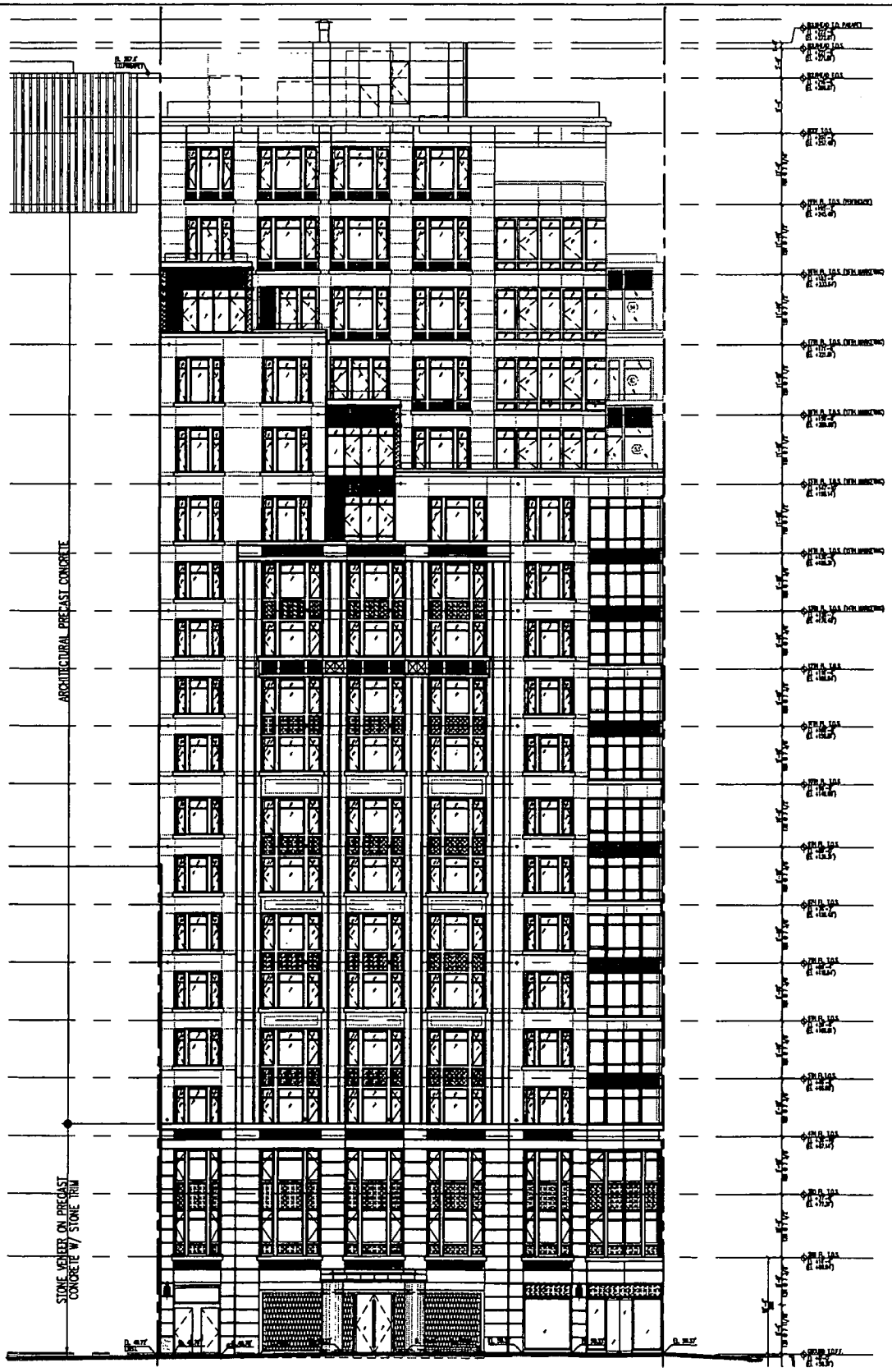
PENTHOUSE
4,898 SF

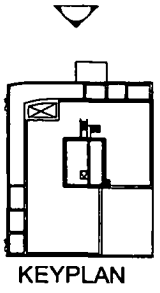
5 BEDROOMS
5 1/2 BATHROOMS
TOTAL TERRACE AREA: 202 SF

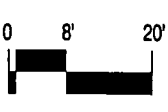
200 East 79th Street
New York, New York

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584 Broadway, Room 401
New York, N.Y. 10012

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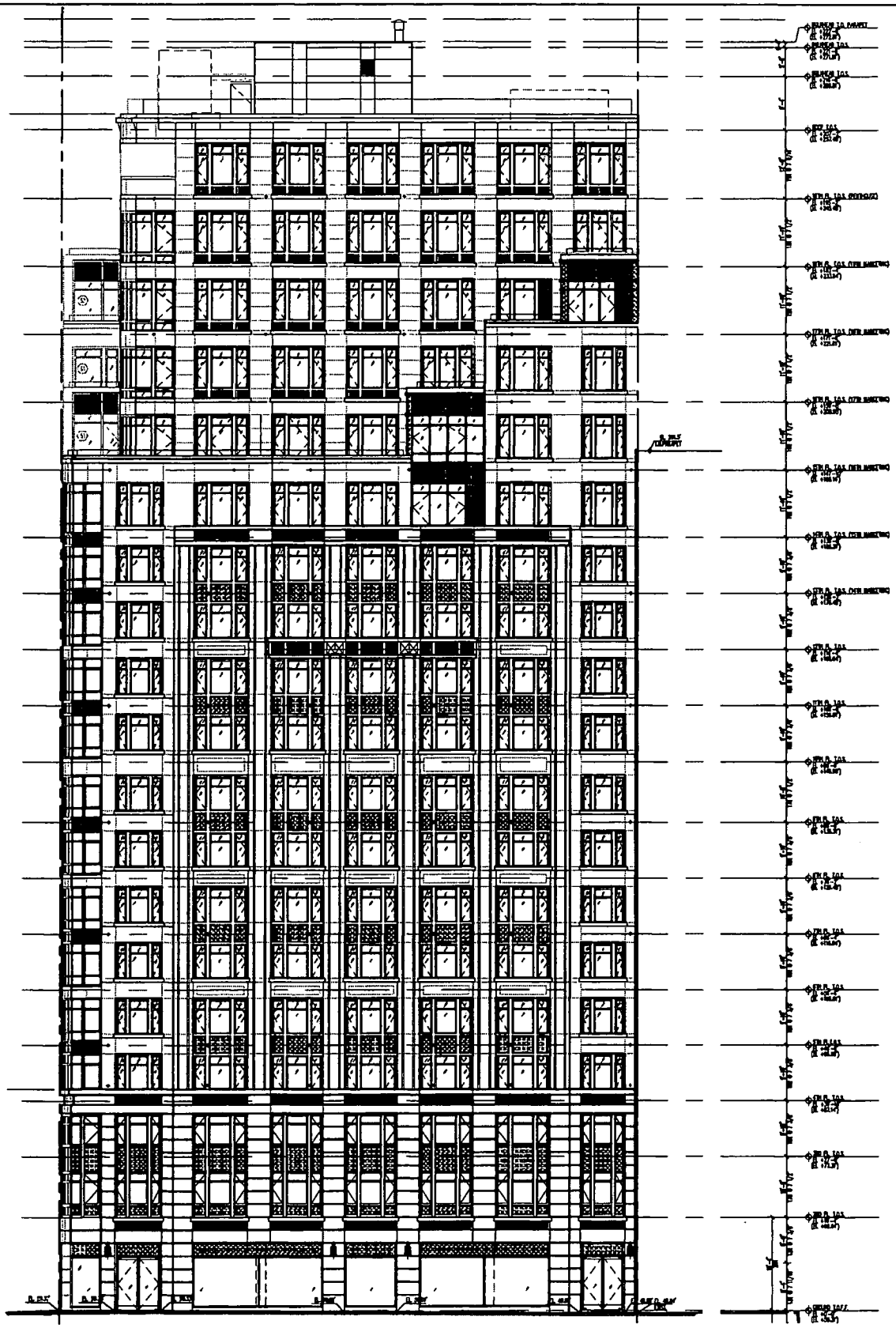
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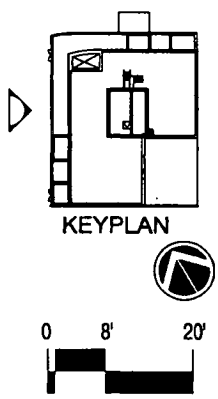
NORTH ELEVATION

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New York, N.Y. 10012

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15 JUN. 2012



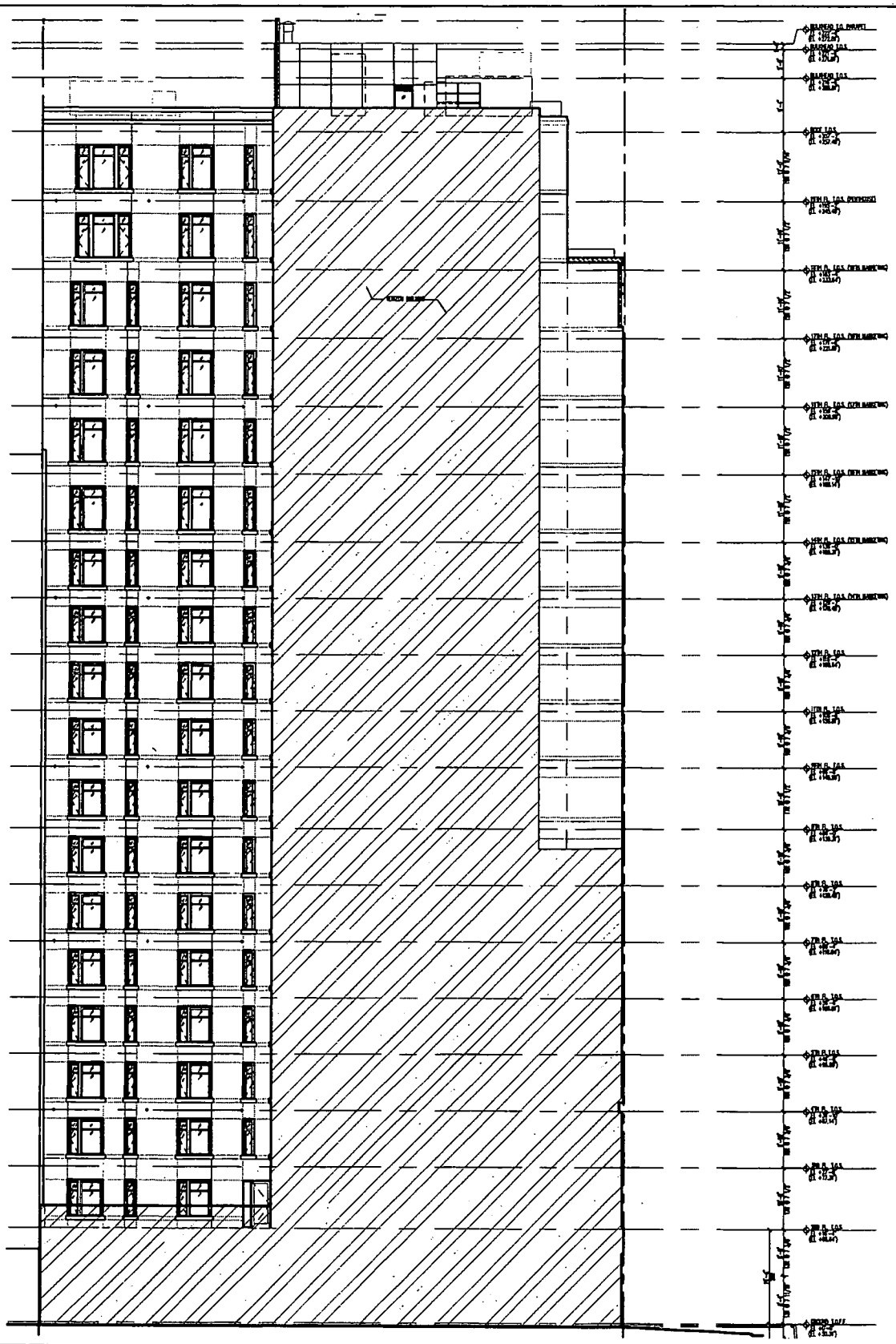


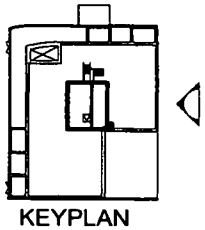
200 East 79th Street
New York, New York

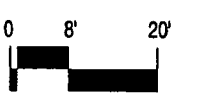
WEST ELEVATION

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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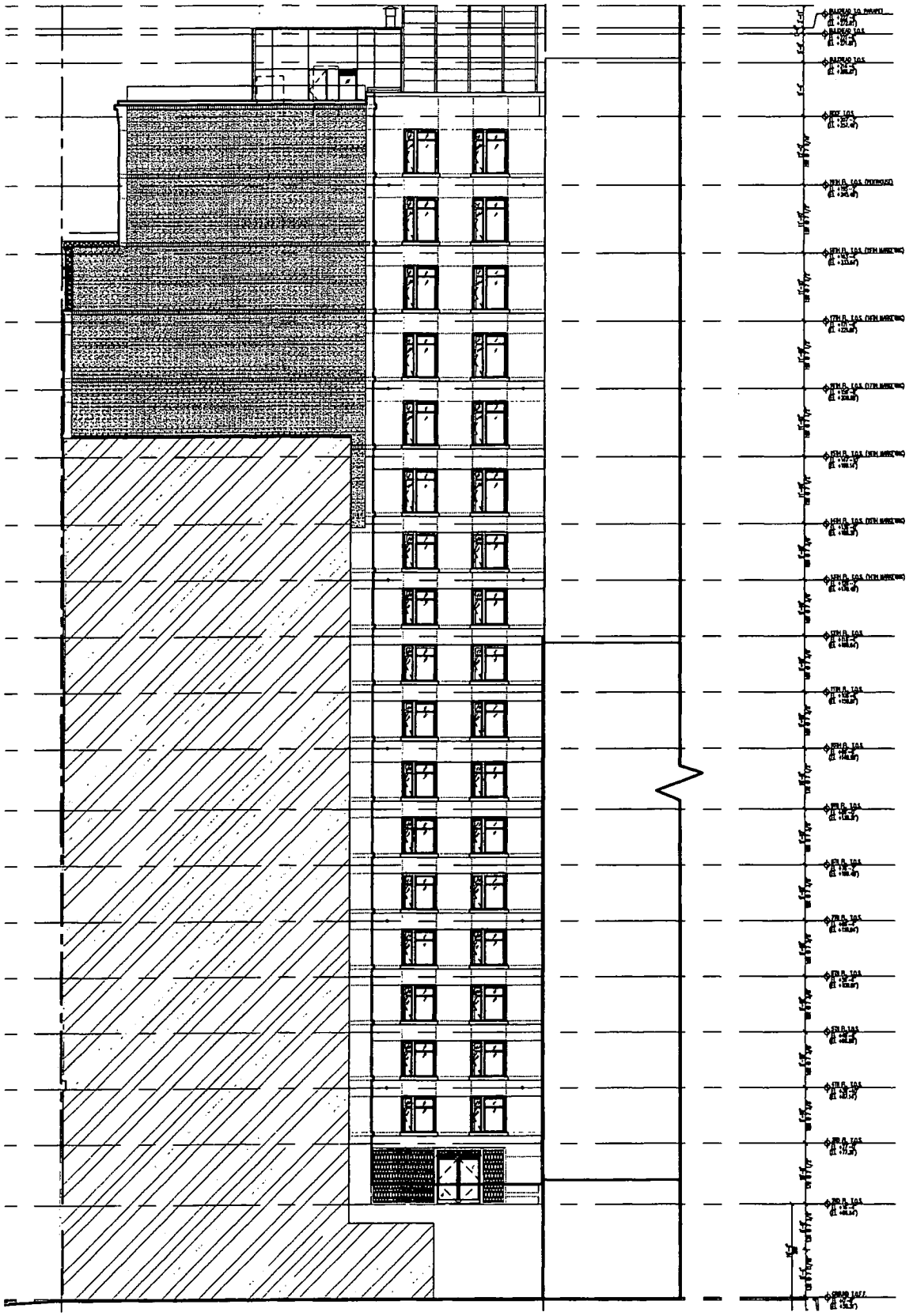


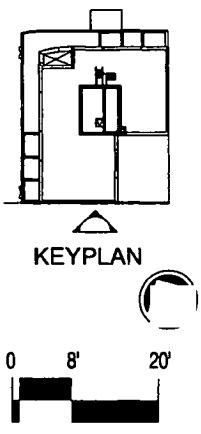
200 East 79th Street
New York, New York

EAST ELEVATION

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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200 East 79th Street
New York, New York

SOUTH ELEVATION

CETRA/CRI ARCHITECTURE PLLC
584 Broadway, Room 401
New York, N.Y. 10012

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EXHIBIT "8"

CONDOMINIUM DECLARATION

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises known as
200 East 79th Street Condominium
200 East 79th Street,
New York, New York 10075

Pursuant to Article 9-B of the Real Property
Law of the State of New York
Name
200 East 79th Street, LLC
Declarant

13-15 West 54th Street
New York, New York 10019

Date of Declaration

The land affected by the within instrument lies in
Section [____], Block 1433 formerly known as Lot 45,
now known as Lots [____] – [____]
on the Tax Map of the Borough of Manhattan, City of New York

Stroock & Stroock & Lavan LLP
Attorneys for Declarant
180 Maiden Lane
New York, New York 10038
(212) 806-5400

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Exhibits

A. Description of the Land
B. Description of the Units
C. Definitions
D. By-Laws
E. Power of Attorney

DECLARATION
OF
200 EAST 79TH STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

200 East 79th Street, LLC, a New York limited liability company, having an office at 13-15 West 54th Street, New York, New York 10019 ("Declarant"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a condominium to be known as "200 East 79th Street Condominium" (the "Condominium").

2.2 Excluded from the Property is that portion of the unused floor area development rights that are now owned, are subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Development Rights") which shall be initially retained by Declarant, which Development Rights may be utilized by Declarant or any party acquiring same from Declarant (the "Development Rights Purchaser") and merged into a zoning lot pursuant to the terms a zoning lot development agreement ("ZLDA").

2.3 Attached to this Declaration and made a part hereof are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

ARTICLE 3

THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York,

and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 8,684 square feet.

ARTICLE 4

THE PROPERTY

Included in the Property described in Article 2 is a building (the "Building") consisting of forty-six (46) Units, including, forty-five (45) residential units (each referred to herein as a "Residential Unit or, collectively, as the "Residential Units") and one (1) Commercial Unit (referred to herein as a "Commercial Unit" or, if subdivided, collectively, as the "Commercial Units"). The Residential Units and the Commercial Unit are sometimes hereinafter collectively referred to as the "Units" and individually as a "Unit." The owner of a Residential Unit is herein called a "Residential Unit Owner" and all the owners of the Residential Units are herein collectively called the "Residential Unit Owners." The owner of a Commercial Unit at any time, or its designee, is herein called a "Commercial Unit Owner" and to the extent the Commercial Unit is subdivided each of the owners of the Commercial Units shall collectively be called the "Commercial Unit Owners." The Residential Unit Owners and the Commercial Unit Owners are collectively referred to herein as the "Unit Owners" and individually as a "Unit Owner." The Commercial Unit may be used for any lawful use.

ARTICLE 5

THE BUILDING

The Building consists of one Class IB (noncombustible) building, having nineteen (19) stories above grade, one (1) below grade, and one (1) partially below grade. The main structural components of the Building are reinforced concrete. The floors in the Building are named respectively (from bottom to top): Sub-Cellar level, Cellar level, Ground Floor, Floors 2 through 12 and floors 14 through 20 and Roof. There is no floor designated as 13 in the Building.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit designation; (ii) tax lot number; (iii) approximate location in the Building; (iv) approximate square foot area; (v) number of rooms; (vi) the percentage interest in the General Common Elements appurtenant to such Unit and (iv) type of use. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by _____, and intended to be approved by the New York City Department of Finance, Division of Land Records, Tax Map Unit and filed in the New York County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to such Unit, windows, skylights and green house additions, if any, flooring, wallcoverings, molding, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors and carbon monoxide detectors, all plumbing, gas and heating fixtures (including shower pans) and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively, including those certain fireplaces and fireplace flues appurtenant to certain Units. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors from the point at which such pipes, wiring, ductwork or conduits service other Units. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit by a Unit Owner other than Declarant, to the extent located within a Unit and serving or benefiting only that Unit including, but not limited to, any freight elevators or freight entrances servicing a Commercial Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 Each Commercial Unit will include all escalators, elevators, stairs, if any, and all related Facilities exclusively serving that Commercial Unit including outdoor Signs for the Commercial Unit.

6.4 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

DIMENSIONS OF UNITS

Each Unit was measured horizontally from the exterior side of the exterior walls to the centerline of the interior walls and partitions separating one Unit from another Unit, or separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements or Limited Common Elements not within a Unit. Area of columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits within the Units were not deducted. Each Unit shall consist of the area enclosed horizontally by the exterior walls of the

Unit through and including the first layer of sheetrock and vertically from (through and including) the top of the concrete floor slab or gypsum self-leveling compound below the finished flooring and sub-floor materials to the underside of the concrete slab or wood sub-floor under the gypsum self-leveling compound above. Interior walls of a Unit shall be deemed part of the Unit.

ARTICLE 8

COMMON ELEMENTS

8.1 The common elements of the Condominium (the "Common Elements") consist of the General Common Elements and the Limited Common Elements (as hereinafter defined). The General Common Elements include, but not are not limited to the Land and all parts of the Building and improvements thereon other than the Units and the Limited Common Elements and include those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, Maintenance or safety of the Property. The Limited Common Elements of the Condominium consist of those Common Elements that serve or benefit exclusively (a) the Residential Units or the Residential Unit Owners (in which event they are called "Residential Common Elements"), or (b) one or more but not all of the Residential Units or the Residential Unit Owners (in which event they are called "Residential Limited Common Elements"), (c) the Commercial Units or the Commercial Unit Owners (in which event they are called "Commercial Common Elements"), or (d) one or more but not all of the Commercial Units or the Commercial Unit Owners (in which event they are called "Commercial Limited Common Elements"). The General Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements. The General Common Elements are for the common use of all Unit Owners. The Common Elements do not include any air or development rights, the rights to which shall be retained by the Declarant.

8.2 As used in this Declaration, the word "Facility" or "Facilities" means all equipment and facilities necessary for the operation of the Building or its systems and includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, Sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, door, railing, coping, step, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

8.3 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.4 The General Common Elements consist of the following:

8.4.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.4.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections 8, together with those portions of the exterior walls of the Building beyond the Commercial and Residential Unit side of the glass or concealed block work or concealed structural members of those walls.

8.4.3 The following rooms and Facilities on the Sub-Cellar Level: E.M.R., Corridor No. 1 and Corridor No. 2; and the following rooms and Facilities which are located on the Cellar Level: Corridor No. 1, Storage A, Rest. Vest., and Commercial Vest.; and the following which are located on both the Cellar and Sub-Cellar Level: Service Elevator 1 (including the shaft, pit, machinery and facilities appurtenant thereto); the Service Corridor on the Ground Floor and Fire staircase C and its landings and stairs from the Cellar to the First Floor.

8.4.4 the Cooling Towers and related Facilities located on the roof.

8.4.5 Any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of all of the Commercial Section and the Residential Section and are not a part of any Unit, Residential Common Elements, Commercial Common Elements or any Limited Common Element.

8.5 The Residential Common Elements consist of the following:

8.5.1 Any of the following: all columns, girders, floor slabs and ceilings, beams, and supports, exterior walls and load bearing interior walls (including those within each Unit exclusive of sheet rock or plaster coats or any wall coverings or decorations thereon) and interior load bearing walls from above the slab of the Building to the roof (except as otherwise provided in Section 8).

8.5.2 Residential electric meters and panels, electric closets, feeders, risers and Facilities, Residential gas meter and direct burial telephone cables serving exclusively the Residential Section.

8.5.3 Kitchen, bathroom and dryer exhaust ducts, corridor and Residential Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting exclusively the Residential Section.

8.5.4 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Residential Section to the extent that the same are not owned by a third party.

8.5.5 The following rooms and Facilities on the Sub-Cellar Level: Building Storage A, Building Storage B, Building Storage C, Workshop, Resident Manager's Office, Staff Lounge, Staff Bath A and Staff Bath B, Staff Locker Room A and Staff Locker Room B, Boiler Room, Switch Gear Room, Compactor Room, Elevator Pit and Sump Pit;

8.5.6 The following rooms and Facilities on the Cellar Level: Fire Pump Room, Water Meter Room, Gas Meter Room, Telecom Room, Laundry Room, Storage A, Bicycle Storage Room, Emergency Generator Room, [Emergency Dist. Room], the Youth Activity and Recreation Room, Electric Room, Residential Refuse Room, Residential Storage Bins, the water tower and pump.

8.5.7 Passenger Elevator 1 and Passenger Elevator 2 (including their shafts, pits, machinery and appurtenant facilities); the mechanical equipment rooms and areas and the elevator machine rooms located on the roof; the Residential Vestibule and Lobby, Elevator Lobby, Mail Room, Package Room, Storage Room 2, and Lavatory located on the First Floor; and the Elevator Vestibule, Trash Room, Fitness Center, Residential Lounge, and Courtyard located at the Second floor level.

8.5.8 All passages, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Residential Units Residential Limited Common Elements or part of the Commercial Units, Commercial Common Elements, Commercial Limited Common Elements, or General Common Elements.

8.5.9 Fire staircase A and B and their landings and stairs from the Cellar to the roof.

8.5.10 The Roof and mechanical equipment located thereon.

8.5.11 The windows in the Residential Section that do not exclusively open into a an individual Residential Unit.

8.5.12 The building maintenance unit, the cooling towers on the roof and the fireplace flues servicing the Residential Units.

8.5.13 All other Facilities exclusively serving the Residential Section, excluding the Residential Units, the Residential Limited Common Elements, the Commercial Common Elements, the Commercial Limited Common Elements and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Residential Section.

8.5.14 Notwithstanding anything to the contrary in this Article 8, if a Residential Common Element benefits only certain Residential Unit Owners, then the Residential Section's costs of alteration, addition, repair, replacement and restoration thereto shall be borne solely by those Residential Unit Owners who benefit from the Residential Common Element in the

proportion that the Common Interest of each benefiting Residential Unit Owner bears to the Common Interests of all benefiting Residential Unit Owners. In addition, except as otherwise provided in Subsection 6.9.2.1 of the By-Laws, such Residential Unit Owners shall be responsible for the normal operation and Maintenance of any such Residential Common Element at their sole cost and expense.

8.6 The Residential Limited Common Elements consist of the following:

8.6.1 The Terraces to which one or more Residential Units have access as set forth in Exhibit B annexed hereto. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, where a Terrace is a Residential Limited Common Element appurtenant to a Residential Unit, the Residential Unit Owner thereof shall have the exclusive right to use such Terrace subject to rights of the Boards to regulate its use and to access the Terrace for maintenance, repair and replacement and other uses.

8.6.2 That portion of equipment, fixtures or Facilities serving or benefiting one Residential Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Residential Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Residential Unit Owner who is so served or benefited by such Residential Limited Common Element shall have the exclusive right to use such Residential Limited Common Element and shall be responsible for its normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.6.3 All other Facilities exclusively serving one or more but not all Residential Units, excluding the Residential Units, the Residential Common Elements, the Commercial Common Elements, the Commercial Limited Common Elements and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Residential Units.

8.7 The Commercial Common Elements consist of the following:

8.7.1 Any of the following: all columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls located within any Commercial Unit or separating a Commercial Unit from a Residential Unit or a Residential Common Element.

8.7.2 Commercial electric meter, separate cold water meter, gas meter and other utility meters (if any) serving or available for the exclusive use of the Commercial Section.

8.7.3 Ductwork, and all other HVAC and electric and similar Facilities serving or benefiting exclusively the Commercial Section.

8.7.4 All windows in the Commercial Section other than windows which are part of the Commercial Units.

8.7.5 All remaining Facilities exclusively serving the Commercial Units, excluding the Commercial Units, the Commercial Limited Common Elements, the Residential Common Elements, the Residential Limited Common Elements and the General Common

Elements, which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Commercial Units.

8.7.6 Notwithstanding anything to the contrary in this Article 8, if a Commercial Common Element or a General Common Element benefits only certain Commercial Unit Owners, then the Commercial Section's costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Commercial Unit Owners who benefit from the Commercial Common Element in the proportion that the Common Interest of each benefiting Commercial Unit Owner bears to the Common Interest of all benefiting Commercial Unit Owners. In addition, except as otherwise provided in the By-Laws, such Commercial Unit Owners shall be responsible for the normal operation and Maintenance, including but not limited to the cost of staff necessary for such operation and Maintenance and repair, of any such Commercial Limited Common Element at their sole cost and expense.

8.8 The Commercial Limited Common Elements consist of the following:

8.8.1 The Commercial Limited Common Elements consist of any portion of the Property, excluding the Commercial Units, the Commercial Common Elements, the Residential Units, the Residential Common Elements, the Residential Limited Common Elements, and the General Common Elements, which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of one or more but not all Commercial Units. As of the date of the date of the Declaration there are no Common Elements falling into the category of Commercial Limited Common Elements.

8.8.2 Notwithstanding anything to the contrary in this Article 8 or the By-Laws, if a Commercial Limited Common Element benefits only certain Commercial Unit Owners, then the Commercial Section's costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Commercial Unit Owners who benefit from the Commercial Limited Common Element in the proportion that the Common Interest of each benefiting Commercial Unit Owner bears to the Common Interest of all benefiting Commercial Unit Owners. In addition, except as otherwise provided in the By-Laws, such Commercial Unit Owners shall be responsible for the normal operation and Maintenance including but not limited to the cost of staff necessary for such operation and Maintenance of any such Commercial Limited Common Element at their sole cost and expense.

ARTICLE 9

USE OF BUILDING AND UNITS

9.1 Except as more particularly set forth in this Declaration or the By-Laws, Residential Units may be used for residential purposes only, but not more than one family may occupy a Residential Unit at one time. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof,) may only be

occupied (unless the Residential Board otherwise consents) by said individual, or an officer, director, stockholder or employee of such corporation, or a partner or employee of such partnership, or said fiduciary or (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or the beneficiary of said fiduciary, or a principal or employee of such other entity, respectively, or members of the immediate family, guests or domestic employees of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Residential Unit by such family members, guests or domestic employees). Any Residential Unit may be used for professional purposes, or for any other lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Residential Unit, (2) applicable Law, (3) the use of such Residential Unit not adversely affecting the use and enjoyment of neighboring or adjacent Residential Units for residential purposes, (4) compliance with the By-Laws and (5) the prior written permission of the Residential Board, which permission shall in no event be granted unless the Residential Board affirmatively finds that the conditions in (1) through (3) above have been met. A home office use hereunder shall only be accessory to the residential use of the Residential Unit. No clients or business invitees shall be permitted to visit a home office and no Signs shall be allowed in connection with the home office. Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may, without the permission of the Residential Board, (1) grant permission for the use of any Unsold Residential Unit (as defined in Exhibit C) owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for such Residential Unit or any other governmental regulations and (2) use any Unsold Residential Units owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable Law.

9.3 The Commercial Units may be used for any lawful purposes, including, without limitation, department and other retail stores and outlets, storage, theaters, banks, restaurants and commercial and professional offices and studios.

9.4 Vault space in the Cellar, if any, shall be available for the use of either the Residential Board and the Commercial Unit Owners as set forth on the Floor Plans and the Residential Board and the Commercial Unit Owners shall be responsible for vault taxes, if any, imposed as the result of the use of the vault. Routine maintenance and repair of the vaults shall be the responsibility of the Residential Board or the Commercial Unit Owners having exclusive use thereof. However, the costs of any structural repairs, including repairs to the foundations or retaining walls adjacent to the vaults and the closing of the vaults, shall be a General Common Expense undertaken by the Condominium Board.

ARTICLE 10

CHANGES IN THE RESIDENTIAL SECTION

Except to the extent prohibited by Law, Declarant or its designee shall have the right, without the vote or consent of any Board, other Unit Owners or the Residential Mortgage Representatives, if

any, to: (a) make Alterations to any Unsold Residential Units; (b) change the use (subject to Section 9.2 above) or layout of, or number of rooms in, any Unsold Residential Units from time to time; (c) change the size and/or number of Unsold Residential Units by subdividing one (1) or more Unsold Residential Units into two (2) or more separate Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one (1) or more Residential Units, converting a Residential Unit or any portion thereof to a Residential Common Element, a Residential Limited Common Element a Commercial Unit, a Commercial Common Element or a Commercial Limited Common Element, altering the boundary walls between any Unsold Residential Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Residential Unit) which exclusively benefit an Unsold Residential Unit into such Residential Unit; (d) designate a Unit or a Common Element as part of a newly created or expanded Residential Unit, Residential Limited Common Element, Commercial Unit, Commercial Common Element, Commercial Limited Common Element or General Common Element or designate all or part of a Residential Unit as a newly created or expanded Commercial Unit, Residential Common Element, Residential Limited Common Element, Commercial Common Element, Commercial Limited Common Element or General Common Element; and (e) if appropriate, reapportion among the Unsold Residential Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Residential Units (other than Unsold Residential Units) shall not be changed by reason thereof unless the owners of such Residential Units shall consent thereto; (ii) Declarant or its designee shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom. By written permission of the Residential Board, which permission, shall not be unreasonably withheld, any other Residential Unit Owner may be given, with respect to his Residential Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Residential Units, including, without limitation, the right to combine, subdivide and/or otherwise reconfigure two (2) or more adjacent Residential Units owned by such Residential Unit Owner. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Residential Unit shall be made unless there is first delivered to the Residential Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Residential Section or of the Condominium or any other person reasonably acceptable to the Residential Board in the case of any Unsold Residential Unit, and (ii) by either the managing agent of the Residential Section or of the Condominium, or any other person reasonably acceptable to the Residential Board in the case of any other Residential Unit. Declarant or the owner of any Unsold Residential Unit will have the right, without the consent of any other Unit Owner or Board to amend the Declaration and By-Laws to reflect the foregoing changes. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or the owner of any Unsold Residential Unit.

ARTICLE 11

CHANGES IN THE COMMERCIAL SECTION

Except to the extent inconsistent with Article 15 or the By-Laws or prohibited by Law, each Commercial Unit Owner shall have the right, subject to the approval of the Commercial Board, which shall not be unreasonably withheld, but without the vote or consent of the Residential Board or Condominium Board, other Unit Owners or Residential Mortgage Representatives, if any, to: (1) decorate or make Alterations whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Limited Common Elements; (2) change the layout or number of rooms in the Commercial Units from time to time; (3) change the Commercial Units, by subdividing the same, into any desired number of commercial condominium units, combining any of the Commercial Units or combining any units resulting from a subdivision, altering the boundary walls between the Commercial Units, or otherwise; (4) designate a Unit or a Common Element as part of a newly created or expanded commercial condominium unit or designate all or part of a Commercial Unit as a newly created or expanded Residential Unit, Residential Common Element, Commercial Common Element or Commercial Limited Common Element; (5) reapportion among the newly created or expanded Commercial Units and/or Residential Units resulting from any subdivision, combination or otherwise their percentage interests in the Common Elements which shall be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, and provided that in no case may such reapportionment result in a greater percentage of Common Interest for the total of the new Commercial Units and/or Residential Units than existed for the original Commercial Units; and (6) change, alter or modify the facade or portion of the exterior wall appurtenant to the Commercial Units provided, however, that the percentage interest in the Common Elements of any portion of the Commercial Units owned by another Commercial Unit Owner or of any Residential Unit shall not be changed by reason thereof unless the owner of such Unit shall consent thereto, and the Commercial Unit Owner shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom.

ARTICLE 12

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium, the Residential Section or the Commercial Section.

ARTICLE 13

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

13.1 The percentage interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

13.2 The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the percentage interest of such Residential Unit bears to the Common Interests of all Residential Units.

ARTICLE 14

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, Residential Board or Commercial Board, as the case may be, or made by Declarant or the owner of an Unsold Residential Unit, a Commercial Unit Owner in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the Maintenance of the same as long as the Building shall stand.

ARTICLE 15

NAME OF CONDOMINIUM AND BUILDING

The Condominium and the Building shall be designated and known as "200 East 79th Street Condominium." Declarant and Declarant's assignee shall own and control all rights and interests, including the right to apply for any state trademark and prosecute to registration any federal trademark applications, and shall be responsible for all obligations and liabilities, including those in furtherance of protecting, policing and maintaining any applicable trademark rights, which may include litigating against those whom Declarant believes may be infringing Declarant's rights in and to the name of the Condominium and Building, appurtenant to the name of the Condominium and/or the Building. Only Declarant shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Declarant shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Declarant as the sponsor of the condominium offering, together with such other information as Declarant determines in its sole discretion.

ARTICLE 16

EASEMENTS AND RIGHTS OF ACCESS

16.1 Except as set forth in this Declaration, (i) each Unit Owner will have, in common with all other Unit Owners and each Unit will be subject to, an easement for the use of the General Common Elements and any Facilities located therein, including, but not limited to, such easement as will be necessary to Maintain, such Unit Owner's Unit and an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, steam and ventilation, (ii) each Residential Unit Owner will have, in common with all other Residential Unit Owners, an easement for the use of the Residential Common Elements and any Facilities located therein (wherever located in the Building), including, but not limited to, such easement as will be necessary to operate, Maintain as necessary, such Residential Unit and (iii) each Commercial Unit Owner will have, in common with all other Commercial Unit Owners, an easement for the use of the Commercial Common Elements and those Commercial Limited Common Elements appurtenant to such Commercial Unit, if any, and any Facilities located therein (wherever located in the Building), including, but not limited to, such easement as will be necessary to operate, Maintain such Commercial Unit Owner's Unit. The Commercial Section and the Residential Section will be subject to such easements.

16.2 The Condominium Board, with respect to the General Common Elements, the Residential Board with respect to the Residential Common Elements and the Residential Limited Common Elements and the Commercial Board with respect to the Commercial Common Elements and the Commercial Limited Common Elements or their respective agents, to the extent such Boards are permitted to act by the By-Laws for such purposes, will have a right of access to each Unit to inspect the same, to remove violations therefrom and to Maintain the Common Elements contained therein or elsewhere in the Property.

16.3 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Residential Section and the Commercial Section as the case may be, and for the use of any Common Element, to the extent necessitated by an Emergency including but not limited to an easement by the Commercial Unit Owners for Emergency access through and over the fire stairs in the Building. The Residential Section and the Commercial Section shall be subject to such easement.

16.4 The Condominium Board shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the General Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to Maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements.

16.5 The Residential Board shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the Residential Common Elements and the Residential Limited Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or

replacement of the Residential Units, the Residential Common Elements; or the Residential Limited Common Elements.

16.6 Each Commercial Unit Owner shall have, in common with all other Commercial Unit Owners, and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the Commercial Common Elements or the Commercial Limited Common Elements appurtenant to such Commercial Unit located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of any Commercial Unit, the Commercial Common Elements or the Commercial Limited Common Elements.

16.7 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

16.8 Declarant or its designee and the Commercial Unit Owner and their successors and assigns shall, to the extent permitted by Law, have an easement to erect, operate and Maintain from time to time, one or more Signs on the Property for the purposes of advertising (i) the sale or lease of any Unsold Residential Unit, the sale or lease of all or any portion of the Commercial Unit and (ii) the operation of any business of Declarant, a tenant, occupant, managing agent or operator of all or any portion of any Commercial Unit or of any Unsold Residential Units, as the case may be, provided such Signs are in keeping with the character of the Building. Declarant shall have an easement to utilize the Common Elements of the Building in connection with its sales and leasing efforts relative to the Unsold Residential Units. Declarant and the Commercial Unit Owners will have an easement and the right to change the facade of the Building and alter, replace, restore, renovate, remodel and reconstruct the existing facade of the Building through and including the first floor of the Building, provided that such penetration does not materially weaken the structural soundness of the Building.

16.9 Declarant and the Commercial Unit Owners have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by Law.

16.10 Declarant or its designee and the Residential Board with respect to the Residential Section, the Commercial Board with respect to the Commercial Section and the Condominium Board with respect to the Property, shall have the right to grant such additional electric, gas, telephone, internet, cable, television, steam, ventilation or other easements for utilities, communications, access or other easements and to construct any shafts, flues or install an air conditioning compressors or other equipment on the roof or relocate any easements in any portion of the Residential Section, the Commercial Section or the Property, as the case may be, as Declarant or its designee, the Residential Board, the Commercial Board or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and Maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that the Condominium Board shall not grant such additional easements within a Commercial Unit without the consent of the Commercial Unit Owner thereof and provided further that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business of the tenants and

occupants of the Commercial Units or with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any company providing the utilities or services and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of the aforementioned easements to in order to install, operate, Maintain and service same, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of the Residential Units for their permitted purposes.

16.11 Declarant and the owner of any Unsold Residential Unit, and their respective assignees and licensees shall have, and the Units and Common Elements shall be subject to, an easement to use, lease, license and/or sublicense the Common Elements for the purposes of (a) installing, utilizing, operating, and Maintaining satellite dishes and other communications equipment and similar or ancillary equipment on the roofs and facade of the Building and elsewhere on the Common Elements and the conduits and other Facilities relating thereto, other than those portions of the roof which constitute Residential Common Elements or Residential Limited Common Elements, and to retain any and all income derived therefrom, and (b) to maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation or Maintenance, repair, alteration, rebuilding, restoration or replacement thereof. Declarant shall be entitled to assign, lease, license or otherwise transfer its rights with respect to the foregoing easements and the Condominium shall not be entitled to any portion of fees, compensation or other profits received by Declarant, its designees, assignees or licensees for the use of the aforesaid easements or equipment. Any dishes, equipment or other facilities placed upon the roof and the facade of the Building and elsewhere on the Common Elements by Declarant, its designees, assignees, tenants, licensees or transferees and shall be the exclusive property of Declarant, its designees, assignees tenants, licensees or transferees and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Sponsor hereby reserves the right to place satellite dishes upon any portion of the roof of the building. Notwithstanding the foregoing, additional utilities or the relocation of existing utilities cannot be installed in the Commercial Unit without the consent of the Commercial Unit Owner.

16.12 Declarant and the Commercial Unit Owner have an easement over all portions of the Building to complete construction thereof and to otherwise comply with their obligations under the Plan, if any.

16.13 Any easements granted to Declarant, any Board, any Unit or any Unit Owner or other party under this Declaration and the By-Laws may be exercised by such Unit Owner's employees, agents, contractors, suppliers, utility providers, service providers, customers, guests, invitees, licensees, servants, tenants, subtenants, members, and visitors, members, tenants and/or tenant-shareholders, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by Declarant, the Unit Owner or Board, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of the Residential Units for their permitted purposes.

16.14 The Condominium Board will have an easement to access all Terraces from within or without the Unit for the purpose of temporarily storing, launching and operating the building maintenance unit from each such Terrace as may be necessary;

16.18 Any easements or rights of access granted hereunder will be exercised, to the extent practicable, in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Section or with the use of the Residential Units for their permitted purposes. Any Maintenance performed in accordance with the provisions of this Article 16 in or to any Commercial Unit will be performed outside normal business hours (i) if failure to do so would cause unreasonable interference with the use and occupancy of the applicable Commercial Unit, or (ii) if otherwise reasonably requested by a Commercial Unit Owner. Any additional costs and expenses incurred as a result of such work being done outside of normal business hours will be borne by the Unit Owner whose Unit was accessed. Except as otherwise expressly provided in this Declaration or in the By-Laws, entries to General Common Elements or Limited Common Elements which must be accessed through a Commercial Unit will be permitted on not less than three (3) business days' notice to the Commercial Unit Owner thereof and entries to General Common Elements or Limited Common Elements which must be accessed through a Residential Unit will be permitted on not less than one (1) business days' notice to the Residential Unit Owner thereof. Notwithstanding the foregoing, only such notice as may be practical under the circumstances will be necessary in the case of an Emergency, provided that thereafter the Boards will give notice to the affected Unit Owner as promptly as is practical under the circumstances.

ARTICLE 17

POWER OF ATTORNEY

17.1 Each Residential Unit Owner shall grant to the Condominium Board and the Residential Board an irrevocable power of attorney, coupled with an interest (annexed as Exhibit E to this Declaration or otherwise in such form and content as the Condominium Board and the Residential Board shall determine) following due authorization (if required) from the Residential Unit Owners (a) to acquire or lease any Residential Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Unit so acquired, or to sublease any Residential Unit so leased, without the necessity of further authorization by the Residential Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Condominium Board or Residential Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument (i) as regards the Condominium Board, affecting the General Common Elements or the entire Property or (ii) as regards the Residential Board, affecting the entire Residential Section which the Condominium Board or the Residential Board, as the case

may be, deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the Property or the Residential Section, respectively, or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Units or the Common Elements which the Condominium Board or the Residential Board, as the case may be, deems necessary or appropriate.

17.2 Each Commercial Unit Owner shall grant to the Commercial Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Commercial Board shall determine) following due authorization (if required) from the Commercial Unit Owners (a) to acquire or lease any Commercial Unit or portion thereof, together with its Appurtenant Commercial Interests (as hereinafter defined), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Commercial Board or its designee, corporate or otherwise, on behalf of all Commercial Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not to vote the interest appurtenant to) any Commercial Unit or portion thereof so acquired, or to sublease any Commercial Unit or portion thereof so leased, without the necessity of further authorization by the Commercial Unit Owners, on such terms as the attorneys-in-fact may determine, and (b) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Commercial Section which the Commercial Board deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the Commercial Section, (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Commercial Section or the Common Elements which the Commercial Board deems necessary or appropriate, or (iii) any easement permitting access between the Commercial Section and any property adjoining the Land, including the right to penetrate any General Common Elements located between the Commercial Section and such adjoining property, provided such penetration does not materially weaken the structural soundness of the Building.

17.3 Each Unit Owner shall grant to Declarant a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to Declarant under the Declaration and By-Laws and the Plan including the power to execute the Required Documentation.

ARTICLE 18

ACQUISITION OF UNITS BY BOARDS

18.1 If (a) any Residential Unit Owner surrenders such Unit Owner's Unit, together with (i) the undivided interest in the Residential Common Elements and Residential Limited Common Elements and General Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Residential Section or the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of

the Condominium Act, (b) the Residential Board, pursuant to Article 8 of the By-Laws, acquires or leases a Residential Unit, or Commercial Unit, together with the Appurtenant Interests, or (c) the Residential Board purchases, at a foreclosure or other similar sale, a Residential Unit, or a Commercial Unit, together with the Appurtenant Interests, then, in any such event, title to any such Residential Unit, or Commercial Unit, together with the Appurtenant Interests, shall be held by the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Residential Unit leased or subleased by the Residential Board or its designee shall be held by the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective interest in the Common Elements.

18.2 Intentionally omitted.

18.3 If (a) any Commercial Unit Owner surrenders such Unit Owner's Commercial Unit or any portion thereof, together with (i) the undivided interest in the Commercial Common Elements, Commercial Limited Common Elements and General Common Elements appurtenant thereto and (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Commercial Board or it designee, corporate or otherwise, on behalf of all Commercial Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Commercial Section or the Condominium (such interests in (i), (ii), and (iii) being hereinafter collectively called the "Appurtenant Commercial Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act, (b) the Commercial Board, pursuant to this Declaration and/or the By-Laws, acquires or leases all or a portion of any Commercial Unit, together with its Appurtenant Commercial Interest, or (c) the Commercial Board purchases, at a foreclosure or other similar sale, all or a portion of any Commercial Unit, together with its Appurtenant Commercial Interest, then, in any such event, title to all or any such portion of the Commercial Unit, together with its Appurtenant Commercial Interests, shall be held by the Commercial Board or its designee, corporate or otherwise, on behalf of all Commercial Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering all or any portion of a Unit leased or subleased by the Commercial Board or its designee shall be held by the Commercial Board or its designee, corporate or otherwise, on behalf of all Commercial Unit Owners in proportion to their respective interests in the Common Elements.

18.4 The Residential Board shall have the authority to purchase, on behalf of all Unit Owners, a Residential Unit to be used as the residence of the Superintendent of the Building and, in such event, title to all or any such portion of the Residential Unit, together with its Appurtenant Residential Interests, shall be held by the Residential Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Residential Common Elements.

ARTICLE 19

COVENANTS RUNNING WITH THE LAND

19.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and such Unit Owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public or any other third party. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

19.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

19.3 Subject to Section 19.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws,

all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 20

AMENDMENTS OF DECLARATION

20.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Residential Units, or the Commercial Units or any Commercial Unit Owner (a) any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least sixty-six and two-thirds percent (67%) in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; (b) any provision of this Declaration benefiting, protecting or otherwise affecting only the Residential Section or the Residential Unit Owners may be added to, amended, modified or deleted by vote of at least sixty-six and two-thirds percent (67%) in number and in Common Interest of all Residential Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Residential Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected and (c) any provision of this Declaration benefiting, protecting or otherwise affecting only the Commercial Units or the Commercial Unit Owners may be added to, amended, modified or deleted by the vote of at least sixty-six and two-thirds percent (67%) in number and in Common Interest of all Commercial Unit Owners taken in accordance with the provisions of the By-Laws, provided, however, that the Common Interest appurtenant to any Commercial Units shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Residential Units, or the Commercial Units or any Commercial Unit Owner, no amendment, modification, addition or deletion pursuant to the provisions of clauses (a) and (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives (as defined in the By-Laws), if any and no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives, if any. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Residential Units, or the Commercial Units or any Commercial Unit Owner, any such amendment, modification, addition or deletion shall be executed by either (1) the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact or (2) the Residential Board as attorney-in-fact for the Residential Unit Owners, coupled with an interest, which Residential Board is hereby authorized by such Residential Unit Owners so to act as their attorney-in-fact or (3) the Commercial Board as attorney-in-fact for the Commercial Unit Owners, coupled with an interest, which Commercial Board is hereby authorized by the Commercial Unit Owners so to act as their attorney-in-fact, as the case may be. Notwithstanding anything to the contrary set forth above, to the extent that a Commercial Unit Owner has the right under this Declaration or the By-Laws to amend the

Declaration without the consent of any other Unit Owner or Board, then such Unit Owner is authorized to execute such amendment.

20.2 If the number of rooms in an Unsold Residential Unit is changed, or the use, size and/or number of Unsold Residential Units is changed (whether as a result of a subdivision or combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or any Board to execute, and record in the City Register's Office and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Residential Unit or in the use, size and/or number of Unsold Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of any Board, the Unit Owners or the Residential Mortgage Representatives, if any. In addition, if any Residential Unit Owner other than Declarant or its designee causing such changes is given the right by the Residential Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Residential Unit or Residential Units, all in accordance with Article 10 hereof, then such Residential Unit Owner shall have the right to require the Residential (or Condominium) Board to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Residential (or Condominium) Board) to reflect the changes made by the Residential Unit Owner, all without the approval of any Board, other Unit Owners or the Residential Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.3 If (a) the number of rooms in any Commercial Unit or the size of any Commercial Unit is changed and the percentage interest in the Common Elements appurtenant to such Commercial Units belonging to the Owner causing such change is reapportioned among any newly created or expanded commercial condominium units resulting from any subdivision of the Commercial Units, any combining of the Commercial Units or of any units resulting from a subdivision, any alteration of the boundary walls between commercial condominium units, or otherwise, or (b) a Commercial Common Elements or Commercial Limited Common Elements is designated as part of a newly created or expanded commercial condominium unit or all or part of a Commercial Unit is designated as a newly created or expanded Commercial Common Elements or Commercial Limited Common Element, all in accordance with Article 11 hereof, then the Commercial Board (or the Commercial Unit Owners causing such changes) shall have the right to execute, or (upon request) to require any other Board or Unit Owner to execute, and record in the City Register's Office, and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as (the Commercial Unit Owners or) the Commercial Board deems appropriate to effectuate the same) reflecting (i) such change in the number of rooms in or size of any Commercial Unit, the subdivision of the Commercial Units into separate commercial condominium units, the combination of the Commercial Units or of any newly created or expanded commercial condominium units resulting from a subdivision, the

alteration of boundary walls between commercial condominium units, or otherwise, and the reapportionment of the percentage interests in the Common Elements among such newly created or expanded commercial condominium units or (ii) such designation of a Commercial Common Element or Commercial Limited Common Element as part of a newly created or expanded commercial condominium unit or such designation of part of a Commercial Unit as a newly created or expanded Commercial Common Element or Commercial Limited Common Element, all without the approval of any Board, the Unit Owners or the Residential Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.4 Notwithstanding anything to the contrary set forth above (i) no amendment, modification, addition or deletion of the Declaration shall be effective in any way, (a) without the prior written consent of the affected Commercial Unit Owner(s) with respect to any amendment, modification, addition or deletion of or to the modifying the permitted uses of any Commercial Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Commercial Unit Owner and (ii) without the prior written consent of Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to the Declaration modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Residential Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be. Amendments, modifications, additions or deletions of or to this Declaration, the By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Units or with the subdivision, combination or alteration of the Commercial Units, or of any newly created or expanded commercial condominium units and/or the offering for sale or lease of all or any portion of the Commercial Units and in connection therewith the Commercial Board, (or, when permitted, the Commercial Unit Owners) will cause this Declaration, the By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provision thereof may be similar or dissimilar to those affecting the Residential Section and Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Residential Section or the Residential Unit Owners, the Commercial Board shall be the attorney-in-fact for the Residential Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion. Notwithstanding anything to the contrary set forth above, Declarant and the Commercial Unit Owners shall have the right to amend the Declaration, without the consent of any Board or any other Unit Owner, to effectuate the rights otherwise granted to Declarant and the Commercial Unit Owners under the terms of this Declaration and the By-Laws.

20.5 Notwithstanding anything to the contrary set forth above, to the extent that a Commercial Unit Owner has the right under this Declaration or the By-Laws to amend the Declaration without the consent of any other Unit Owner or Board, the Declaration and By-Laws may be amended to provide for the creation and operation of a separate section of the Condominium with its own rules of operation and its own board of managers (a "Resultant Board") elected by and representing the resultant subdivided units (the "Resultant Units") and any consents, approvals, determinations or actions required to be made by the Unit Owner so

subdividing shall be made by the Resultant Board on behalf of the owners of the Resultant Units in accordance with the terms of this Declaration and the By-Laws, as so amended.

20.6 The provisions of Sections 20.1, 20.2, 20.3 and this Section 20.6 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee, and the provisions of Sections 20.1, 20.3, and 20.4 and this Section 20.6, may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Commercial Board. Notwithstanding the foregoing, Declarant may amend the Condominium Declaration to correct or supplement any mathematical mistakes, inconsistencies or scrivener errors.

ARTICLE 21

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least eighty percent (80%) in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant and the owner of any Unsold Residential Units have conveyed title to all Residential Units and Commercial Units, provided that in no event shall Declarant's consent be required more than five (5) years after the date fee title to a Residential Unit is first conveyed to a purchaser by Declarant or its designees pursuant to an offering plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 22

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 24

CERTAIN REFERENCES

24.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

24.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

24.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 25

SEVERABILITY

Subject to the provisions of Sections 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 26

COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of any Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, perform, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

26.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within ten (10) days after request therefor, to perform, execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to

execute, acknowledge and deliver or to take pursuant to this Declaration, then the Board which represents such Unit Owner, is hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to perform, execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

26.3 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within ten (10) days after request therefor, to perform, execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to perform, execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant or its designee, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to perform, execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

26.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by law, Declarant specifically disclaims all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by law, including implied or express warranties of any kind or character, the same are specifically disclaimed. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to view or light quality. The Declarant's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable codes and files plans and specifications, and any conflict between the disclaimers and the Declarant's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. Declarant has not given and no Board has not relied on or bargained for any such warranties. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise).

ARTICLE 27

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Residential Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Commercial Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Commercial Unit Owners. Subject to the foregoing, Declarant, its designee, and/or the Commercial Unit Owners, as the case may be, shall have the right, at any time, in their sole

discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 28

CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Units.

ARTICLE 29

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ___ day of _____, 20__.

200 East 79th Street LLC

_____
Name:
Title:

ACKNOWLEDGMENTS

EXHIBIT A

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

ADD DESCRIPTION

EXHIBIT "B" TO THE CONDOMINIUM DECLARATION

TO BE COMPLETED PRIOR TO RECORDATION OF CONDOMINIUM DECLARATION

200 East 79th Street Condominium							
Unit Designation	Tax Lot Number	Number of Bedrooms/ Bathrooms	Location (Building Facade)`	Square Footage	Residential Limited Common Element Square Footage	Common Elements to which Unit has Immediate Access	Percentage of Interest in the Common Elements

200 East 79th Street Condominium							
Unit Designation	Tax Lot Number	Number of Bedrooms/ Bathrooms	Location (Building Facade)`	Square Footage	Residential Limited Common Element Square Footage	Common Elements to which Unit has Immediate Access	Percentage of Interest in the Common Elements
TOTAL							

]

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EXHIBIT C

DEFINITIONS

For convenience of presentation, definitions of certain of the terms used in the Declaration are set forth below:

"Affiliate" shall mean a Person or an entity who or which owns more than fifty percent (50%) of the legal and beneficial interest of a Unit Owner, Declarant or of any partner, a Person or an entity with respect to which either a Unit Owner, Declarant or any partner owns more than fifty percent (50%) of the legal and beneficial interest, or an entity as to which more than fifty percent (50%) of its legal and beneficial interest is owned by a Person or an entity which owns more than fifty percent (50%) of the legal and beneficial interest of a Unit Owner, Declarant or of any partner.

"Arbitration" shall have the meaning ascribed thereto in Section 11.1 of the By-Laws.

"Board" or "Boards" refers to any or all of the Condominium Board, the Residential Board or the Commercial Board, as the case may be.

"Building" refers to the structure and improvements including above and below grade segments, known as 200 East 79th Street, New York, New York 10075 in which the Units of the Condominium are located.

"By-Laws" refers to the By-Laws governing the operations of the Condominium, which are set forth as Exhibit D of the Declaration, as same may be amended from time to time.

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

"Commercial Board" refers to the board of managers comprised of representatives of the Commercial Unit Owners.

"Commercial Common Charges" refers to amounts payable to the Commercial Board by the Commercial Unit Owners for the purpose of meeting (a) Commercial Common Expenses and (b) each Commercial Unit Owner's pro rata share of General Common Expenses.

"Commercial Common Expenses" shall have the meaning set forth in Section 6.1.3 of the By-Laws.

"Commercial Common Elements" refers to those Common Elements which serve or benefit exclusively the Commercial Units and/or the Commercial Unit Owners.

"Commercial Limited Common Elements" refers to those Common Elements which serve or benefit one or more but not all of the Commercial Units and/or the Commercial Unit Owners.

"Commercial Section" refers to all Commercial Units, the Commercial Common Elements and the Commercial Limited Common Elements, if any.

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

"Commercial Unit" refers to the Commercial Cellar Unit, the Commercial First Floor Unit and/or the Commercial Second Floor Unit.

"Commercial Unit Owners" refers to the owner or owners of the Commercial Units.

"Common Charges" refers to General Common Charges, Commercial Common Charges, and Residential Common Charges.

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

"Common Expenses" refers to the General Common Expenses, the Residential Common Expenses, and the Commercial Common Expenses.

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

"Condominium" refers to 200 East 79th Street Condominium.

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

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

"Condominium Declaration" refers to the instrument creating the Condominium to be recorded in the City Register's Office, together with all schedules and exhibits thereto, as same may be amended from time to time, a form of which is set forth in Part II of the Plan.

"Condominium Documents" refers collectively to the Declaration, the By-Laws, the Floor Plans and any and all exhibits thereto.

"Declarant" refers to 200 East 79th Street LLC, a New York limited liability company, and its successors and assigns and designees.

"Declaration" refers to the instrument creating the Condominium, as the same may be amended from time to time.

"Development Rights" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

"Development Rights Purchaser" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

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

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

"Floor Plans" refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the New York City Department of Finance, Division of Land Records, Tax Map Unit and filed with the City Register's Office.

"General Common Charges" shall have the meaning ascribed thereto in Section 6.1.1 of the By-Laws.

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

"General Common Expenses" shall have the meaning set forth in Section 6.1.1 of the By-Laws.

"Governmental Agency Mortgage" means a mortgage on a Residential Unit that has been purchased, securitized, insured or guaranteed by any federal, state or city agency, or any quasi-governmental or government sponsored enterprise.

"Inside Offeror" shall have the meaning set forth in Section 8.1.1 of the By-Laws.

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

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

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

"Non-Studio Residential Units" refers to all Residential Units which are not Studio Units.

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

"Merger" shall have the meaning ascribed thereto in Section 17.2 of the Declaration.

"Person" refers to an individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association, or any other legal entity, any Federal, State, County or municipal government, or any bureau, department, agency, authority or subdivision thereof and any beneficiaries, officers, directors, employees, agents, partners, shareholders, or fiduciaries thereof acting in such capacity on behalf of any of the foregoing.

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

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

"Permitted Mortgagee Approval" shall refer to the approval of Permitted Mortgagees holding Permitted Mortgages secured by Units as to which are appurtenant to at least 51% of the aggregate Common Interest of all Units secured by such Permitted Mortgages.

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

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

"Required Documentation" refers to such applications, permits, certifications, affidavits, forms, agreements, acknowledgments or other documents as may be required to enable the Declarant to exercise its rights or obligations under the Declaration and the By-Laws, including, without limitation, Declarant's rights to deal with the Available Development Rights and to undertake, perform and complete such work to the Unsold Units, Commercial Units and Common Elements.

"Residential Board" refers to the board of managers representing the Residential Unit Owners.

"Residential Common Charges" shall have the meaning ascribed thereto in Section 6.1.2 of the By-Laws.

"Residential Common Elements" shall have the meaning ascribed thereto in Section 8.5 of the Declaration.

"Residential Common Expenses" shall have the meaning set forth in Section 6.1.2 of the By-Laws.

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

"Residential Limited Common Elements" refers to those Common Elements which serve or benefit exclusively one or more but not all the Residential Units and/or the Residential Unit Owners.

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

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

"Residential Unit" refers to any Unit designated as a Residential Unit in the Declaration and the Floor Plans, and all such Residential Units, are collectively, referred to as the "Residential Units." Residential Units include Non-Studio Residential Units and Studio Units.

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

"Section" refers to the Residential Section or the Commercial Section. Both of such Sections are collectively referred to as "Sections."

"Significant Casualty" shall have the meaning set forth in Section 6.3.4 of the By-Laws.

"Signs" refers to any and all signs, awnings, canopies, marquees, banners, flags, pennants, aerials, antennas or the like located in any Unit or upon any Common Elements.

"Special Assessments" shall have the meaning set forth in Section 6.1.6 of the By-Laws.

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

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

"Studio Unit" refers to any Residential Unit which is identified on Exhibit B hereto as a studio, i.e. a residence consisting of no separate bedroom and one bathroom.

"Terrace(s)" refers to terraces and/or balconies appurtenant to and made a part of certain Residential Units.

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

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

"Unit Owner Expenses" shall be defined as those expenses set forth as "Unit Owner Expenses" under the terms of the By-Laws and which shall be the sole obligation of the Unit Owner on whose behalf the expenses are incurred. The cost of services provided to a Unit Owner other than services that are charges as part of Common Charges shall be a Unit Owner Expense.

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

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

"Work" shall have the meaning set forth in Section 6.3.2 of the By-Laws.

"ZLDA" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

EXHIBIT "9"

CONDOMINIUM BY-LAWS

EXHIBIT D

BY-LAWS

OF

200 East 79th Street Condominium
200 East 79th Street
New York, New York 10075

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BY-LAWS

ARTICLE 1

GENERAL

1.1 Purpose

The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of 200 East 79th Street Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 8,684 square feet of land (the "Land") which forms a part of Block 1433 of Section [05] the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein which are not separately defined herein, shall have the meanings given to those terms in the Declaration or in Exhibit C thereto.

1.2 Applicability of By-Laws

These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 Principal Office of Condominium

The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2

BOARDS OF MANAGERS

2.1 Number, Term and Qualification

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board"), the affairs of the Residential Section shall be governed by a residential board of managers (the "Residential Board") and the affairs of the Commercial Section shall be governed by a commercial board of managers (the "Commercial Board"). From and after the first annual meetings of Residential Unit Owners and Commercial Unit Owners as provided in Section 3.1 and subject to Declarant's rights under Section 3.9.3, the Residential Board shall consist of five (5) persons elected by the Residential Unit Owners, subject to Declarant's rights under Section 3.9.3 and the Commercial Board shall consist of three (3) persons. Thereafter, the Condominium Board shall consist of seven (7) persons: the five (5) members of the Residential Board and two of the three (3) members of the Commercial Board subject to Section 2.4. The Condominium Board, the Commercial Board, and the Residential Board, are herein sometimes referred to collectively as the "Boards" and individually as a "Board."

2.1.2 Each member of the Residential Board and of the Commercial Board except for the first Boards as provided in Section 2.4 and except as otherwise provided herein, shall be elected at the separate annual meetings of Residential Unit Owners and Commercial Unit Owners, respectively, and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.3 Except for Board members elected or designated by Declarant or its designee (a) all members of the Residential Board shall be either Residential Unit Owners or officers, directors, shareholders, partners, principals, members, trustees, employees or beneficiaries of corporations, partnerships, limited liability companies fiduciaries or any other entities which own Residential Units, Permitted Mortgagees, or family members of any of the foregoing, and (b) all members of the Commercial Board shall be either a Commercial Unit Owner or officers, directors, shareholders, members, managers, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which may own a Commercial Unit or a managing agent for such Commercial Unit Owner or an employee thereof, Permitted Mortgagees of the Commercial Units, lessees of the Commercial Units or portions thereof, or family members of any of the foregoing. Other than Board members elected or designated by Declarant or its designee no Board member shall continue to serve after such member ceases to be qualified as set forth above. No Residential Unit Owner may be elected to serve on the Residential Board or Condominium Board if such Board has perfected a lien against such Residential Unit Owner's Unit which lien has not been satisfied at the time of the election. As used herein the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon pursuant to these By-Laws.

2.2 **Powers and Duties**

2.2.1 The Boards shall collectively 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 Boards by the Unit Owners). All determinations, however, which (a) affect only the Residential Section and do not adversely affect the Commercial Section or the use of the Commercial Section for its permitted purposes, shall be made by the Residential Board or (b) affect only the Commercial Section and do not adversely affect the Residential Section or the use of Residential Units for their permitted purposes, shall be made by the Commercial Board. All other determinations with respect to the administration of the affairs of the Condominium including, without limitation, determinations which (i) relate to the Residential Section and adversely affect the Commercial Section, or (ii) relate to the Commercial Section and adversely affect the Residential Section, or (iii) relate to or affect the General Common Elements, shall be made by the Condominium Board. Any dispute between the Residential Board and the Commercial Board with respect to whether the Residential Board or the Commercial Board shall be entitled to make any determination shall be settled by Arbitration; provided, however, that no such dispute with respect to whether the determination of one adversely affects the other shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the other party within ten (10) business days of receipt by it of notice of such determination. In addition, any dispute between the Residential Board and the Commercial Board with respect to whether any matter is entitled to be determined by the Condominium Board shall be settled by Arbitration, which Arbitration shall be determined on the basis of what is in the best interests of the Condominium.

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof, the Boards shall each have all powers and duties expressly set forth elsewhere in the Declaration and the By-Laws and shall be entitled to make such determinations and take such actions and incur such liabilities as may be required to effectuate each Board's obligations under the Declaration, the By-Laws and the Plan.

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1(a) Operating, caring and Maintaining the General Common Elements, including contracts for utilities, services and supplies.

2.2.2.1(b) Determining the amount of General Common Charges (as hereinafter defined).

2.2.2.1(c) Employing and dismissing personnel in connection with the Maintenance and operation of the General Common Elements.

2.2.2.1(d) Adopting and amending the Rules and Regulations, as they affect the General Common Elements.

2.2.2.1(e) Making additions and improvements to, or Alterations of, the General Common Elements.

2.2.2.1(f) Making repairs and restorations of the General Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1(g) Enforcing obligations of Unit Owners, the Commercial Board and the Residential Board.

2.2.2.1(h) Levying fines against Unit Owners, the Commercial Board or the Residential Board for violations of any rules and regulations adopted by the Condominium (any such fines shall constitute General Common Charges payable by the Unit Owner or Board against which they are levied).

2.2.2.1(i) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1(j) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves both the Residential Section and the Commercial Section or the General Common Elements, as set forth in 6.2.

2.2.2.1(k) Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and Maintenance of the General Common Elements; provided, however, that (i) the consent of at least 67% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $150,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its Common Interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1(l) Bringing actions on behalf of the Unit Owners, as their interests may appear, with respect to any cause of action relating to the General Common Elements, as the Condominium Board deems advisable.

2.2.2.1(m) Organizing corporations or limited liability companies to act as designees of the Condominium Board with respect to such matters as such Board may determine.

2.2.2.1(n) Executing, acknowledging and delivering of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the New York City Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition or construction of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.1(o) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1(p) Obtaining and reviewing insurance for the Property pursuant to the provisions of Section 6.2.

2.2.2.1(q) Making repairs to and restorations of the Building or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings as more particularly provided in these By-Laws.

2.2.2.1(r) Leasing or purchasing an apartment for use as the residence of the building resident manager or superintendent, either in the Building or elsewhere (in compliance with applicable Law and regulation) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such apartment.

2.2.2.1(s) Leasing or licensing the General Common Elements.

2.2.2.1(t) Otherwise performing all of the acts to be performed by the Condominium Board in accordance with the terms of the Plan.

2.2.2.2 The Residential Board shall be entitled to make determinations with respect to the following matters:

2.2.2.2(a) Operating, caring for, and Maintaining the Residential Section, including contracts for utilities, services and supplies, except to the extent that same is the responsibility of the Residential Unit Owners under the terms of the Condominium Documents.

2.2.2.2(b) Determining the amount of Residential Common Charges (as hereinafter defined), subject to the determination of the Condominium Board with respect to General Common Expenses.

2.2.2.2(c) Collecting of Residential Common Charges from Residential Unit Owners.

2.2.2.2(d) Employing and dismissing the personnel necessary for the Maintenance and operation of the Residential Section.

2.2.2.2(e) Adopting amendments and additions to, the Rules and Regulations as they affect the Residential Section.

2.2.2.2(f) Subject to Section 8.2 of these By-Laws, purchasing, leasing and otherwise acquiring in the name of the Residential Board (or, if required, in the name of the Condominium Board) or its designee, on behalf of all Residential Unit Owners, Residential Units and/or Storage Bins offered for sale or lease or surrendered by their owners to the Residential Board.

2.2.2.2(g) Purchasing Residential Units at foreclosure or other similar sales, in the name of the Residential Board (or, if required, in the name of the Condominium Board) or its designee, on behalf of all Residential Unit Owners.

2.2.2.2(h) Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) Residential Units and Storage Bins acquired by, and subleasing Residential Units and Storage Bins leased by, the Residential Board or its designee, on behalf of all Residential Unit Owners.

2.2.2.2(i) Making additions and improvements to, or Alterations of, the Residential Common Elements and the Residential Limited Common Elements.

2.2.2.2(j) Making repairs to and restorations of the Residential Section or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.2(k) Enforcing obligations of Residential Unit Owners and the Boards.

2.2.2.2(l) Levying fines against Residential Unit Owners for violations of the Rules and Regulations as they affect the Residential Section (any such fines shall constitute Residential Common Charges payable by the Residential Unit Owner against whom they are levied).

2.2.2.2(m) Maintaining bank accounts on behalf of the Residential Section (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.2(n) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only the Residential Section as set forth in Section 6.2.

2.2.2.2(o) Borrowing money on behalf of the Residential Section when required in connection with the operation, care, upkeep and Maintenance of the Residential Section or otherwise in connection with any permitted action or activity of the Residential Board; provided, however, that (i) except as provided in 8.6, the consent of at least 67% in Common Interest of all Residential Unit Owners shall be required for any borrowings in excess of the aggregate amount of $150,000 (including the pro rata share of the Residential Section with respect to any borrowing made by the Condominium Board pursuant to 2.2.2.1(1)) in any one fiscal year (regardless of the balance of any loans outstanding from previous years, (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its Common Interest in the Common Elements without the consent of the owner of such Unit, and (iii) the Commercial Unit Owners will not be liable for repayment of any portion of any such loan. If any sum borrowed by the Residential Board pursuant to the authority contained in this subparagraph 2.2.2.2(o) is not repaid by said Board, a Residential Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all Residential Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or any lien which said creditor has filed or has the right to file against such Residential Unit Owner's Unit. Notwithstanding anything to the contrary set forth herein, the consent of Residential Unit Owners is not required in connection with the financing of the Resident Manager's Unit.

2.2.2.2(p) Organizing corporations to act as designees of the Residential Board with respect to such matters as the Residential Board may determine, including, without limitation, in connection with the acquisition of title to or the leasing or subleasing of Residential Units by the Residential Board on behalf of Residential Unit Owners.

2.2.2.2(q) Executing, acknowledging and delivering (i) any declaration or other instrument affecting only the Residential Section which the Residential Board deems necessary or appropriate to comply with any Law or requirement of the New York City Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition or construction of the Residential Section, or (ii) any consent, covenant, restriction, easement or declaration affecting only the Residential Section which the Residential Board deems necessary or appropriate.

2.2.2.2(r) Executing, acknowledging and delivering any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units for the benefit and on behalf of (i) all Residential Unit

Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Residential Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.2.2(s) Operating, Maintaining and supervising of all Residential Common Elements and Residential Limited Common Elements.

2.2.2.2(t) Purchasing or leasing, in the name of the Residential Board, space for the storage of personal property of Residential Unit Owners, and in connection therewith the promulgation of conditions, rules and regulations for the operation and supervision thereof.

2.2.2.2(u) Imposition of move in procedures, fees and charges, and transfer fees in connection with the sale or lease of a Residential Unit, provided that no such procedures, fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.2(v) Leasing or purchasing an apartment for use as the residence of the building resident manager or superintendent, either in the Building or elsewhere (in compliance with applicable Law) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such apartment, including, without limitation, entering into a mortgage to finance the acquisition of same.

2.2.2.2(w) Reviewing and approving Alterations by Residential Unit Owners to their respective Units and the Common Elements and establishing rules and procedures with respect to such Alterations.

2.2.2.2(x) Licensing or leasing the Residential Common Elements.

2.2.2.2(y) Otherwise performing all of the acts to be performed by the Residential Board in accordance with the terms of the Plan.

2.2.3 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or the owner of Unsold Residential Units continue to own at least twenty-five percent (25%) of the Residential Units but in no event later than five (5) years from the First Closing of a sale made under an Offering Plan, neither the Condominium Board nor the Residential Board may, without Declarant's prior written approval: (i) make any addition, alteration or improvement to the Common Elements or to the Residential Limited Common Elements or to any Residential Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Residential Section of the Condominium; (iii) enter into any service or Maintenance contract for work not covered in the initial projected budget for the Condominium or Residential Section or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium or on behalf of the Residential Section; (v) assess any General Common Charges or Residential Common Charges

for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Residential Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board or Residential Board to comply with applicable Laws of any governmental authority having jurisdiction over the Condominium.

2.3 Managing Agents and Managers

With respect to matters the determinations concerning which the Condominium Board is entitled to make, the Condominium Board may employ a managing agent and/or a manager at a compensation established by the Condominium Board to perform such duties and services as the Condominium Board shall authorize. The Condominium Board may delegate to such managing agent or manager other powers granted to the Condominium Board by these By-Laws, except the powers set forth in Subsections 2.2.2.1(b), (e), (g), (h), (1), (m), (n) and (o); 2.2.2.2(b), (e), (o), (p), (q) and (r); 2.2.2.3(b), (e), (f), (l), (m) and (n).

2.4 First Board

The Condominium Board shall initially consist of three (3) persons, two (2) of whom will comprise the initial Residential Board and one of whom will comprise the initial Commercial Board. The foregoing members shall be deemed to have been "elected" as members of the Condominium Board for the purposes of these By-Laws. Within one (1) year after the date of the First Closing the Condominium Board will call for the first annual meetings of Residential Unit Owners and Commercial Unit Owners for the purpose of electing new Boards in accordance with the provisions of 3.1 of these By-Laws and subject to the rights of Declarant to designate certain members of the Residential Board as more particularly described in Section 3.9.3 of these By-Laws. The terms of each such member of the Residential Board and the Commercial Board shall expire annually. Notwithstanding the foregoing, for as long as Declarant has the voting power to elect all members of both the Residential Board and the Commercial Board, the Residential Board shall have three (3) members, the Commercial Board shall have two (2) members and the Condominium Board shall have five (5) members.

2.5 Resignation and Removal

Any Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Condominium Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of Subsection 3.9.3, any Condominium Board member may be removed, with or without cause, by a majority vote of Residential Unit Owners, present in person or by proxy at a regular or special meeting of Residential Unit Owners at which a quorum is present. Any Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant or its designee may only be removed by members other than Declarant or its designees with cause and such members shall be replaced as described in Section 2.6. In addition, any member of the Condominium Board who is designated

as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member.

2.6 **Vacancies**

Subject to the provisions of Section 3.9.3, any vacancy on a Board for whatever reason shall be filled by the members of a Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on a Board, created by the resignation, removal or any other cause which results in any Board member designated by Declarant or its designee, ceasing to be a member of any such Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.7 **Organizational Meetings of the Boards**

The first meetings of the Residential Board following each annual meeting of each of the Residential Unit Owners shall be held immediately following each such annual meeting.

2.8 **Regular Meetings of Boards**

Regular meetings of the Residential Board and Commercial 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. Written notice of regular meetings shall be given to each member thereof, by personal delivery, mail, facsimile or e-mail, at least five business days prior to the day named for such meeting.

2.9 **Special Meetings of Boards**

Special meetings of the Residential Board and Commercial Board may be called by the respective President or Vice President of the Residential Board or Commercial Board by giving five (5) business days' prior written notice to each member of such Board by personal delivery, mail, facsimile or e-mail, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Residential Board or of the Commercial Board shall be called in like manner and on like notice on the written request of at least two (2) members of the Residential Board or one member of the Commercial Board, respectively.

2.10 **Meetings of Condominium Board**

No organizational or regular meetings of the Condominium Board shall be held unless otherwise required by applicable law in which event such required meetings shall be held at such time and place in the Borough of Manhattan as shall be determined by the Condominium Board, provided that written notice thereof be given to Board members by personal delivery, mail, facsimile or e-mail at least five (5) business days prior to the day named for such meeting.

Special meetings of the Condominium Board may be called by the President of the Condominium Board by giving five (5) business days' prior written notice to each member of the Condominium Board by personal delivery, mail or telegram, which notice shall state the time, place (which shall be in the Borough of Manhattan) and purpose of the meeting.

2.11 **Resolutions of Boards**

The Residential Board and the Commercial Board shall each cause to be promptly delivered to the other copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable Law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.12 **Waiver of Notice**

Any Board member may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of a Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of a Board, no notice shall be required and any business may be transacted at such meeting.

2.13 **Determinations by Board; Quorums**

2.13.1 Except as otherwise set forth in 2.13.4, all determinations by any Board shall be made at a meeting of such Board at which a quorum thereof is present. At any Commercial, Condominium, or Residential Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of such Board.

2.13.2 When the Residential Board and the Commercial Board, with each acting in accordance with the provisions of this Article 2, have made the same determination as to any matter which is required or permitted to be determined by the Condominium Board, such determination shall constitute the determination of the Condominium Board. No meeting of the Condominium Board as such shall be necessary for any determination by it to be made. However, in the event any meeting of the Condominium Board is held, a majority of the members of the Condominium Board shall constitute a quorum for the transaction of business and a majority of the votes cast at any meeting at which a quorum is present shall constitute the decision of such Board.

2.13.3 If at a Condominium Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.13.4 Members of the Condominium Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action

permitted or required to be taken at a meeting of the Condominium Board may be taken without a meeting if all members of such Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of such Board.

2.14 **Compensation**

No member of the Condominium Board shall receive any compensation for acting as such.

2.15 **Liability of Boards and Unit Owners**

2.15.1 To the extent permitted by applicable Law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, the Commercial Section, or the Residential Section (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Condominium Board or by any managing agent or manager thereof shall state or be deemed to state that it is made by such Board, managing agent or manager only as agent for all Unit Owners, Residential Unit Owners, or Commercial Unit Owners, as the case may be, that such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or the Residential or Commercial Section, as the case may be, shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, Residential Unit Owners, or Commercial Unit Owners, as the case may be, and, unless expressly stated to the contrary in such contract (as determined by the relevant Board in its sole and absolute discretion), to the extent permitted by applicable Law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and such Unit Owner's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that a Board member shall be liable for such member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member and each Residential or Commercial Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.15.2 No Board or any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, such Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such Board or any member thereof; or (ii) any injury,

loss or damage to any individual or property, occurring in or about either a Unit or any General or Limited Common Element.

2.16 **Fidelity Bonds**

Each Board shall obtain or ensure maintenance of fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds or insurance shall constitute General Common Expenses, Commercial Common Expenses, or Residential Common Expenses, as the case may be.

2.17 **Committees**

Each Board may, subject to such limitations and exceptions as such Board may prescribe, appoint an Executive Committee and such other committees as such Board may deem appropriate, each to consist of as many members as such Board shall deem appropriate for the purpose of making such reports and studies as each such Board deems appropriate. Any Executive Committee of the Condominium Board shall be required to consist of at least one member of the Residential Board and one member of the Commercial Board. For so long as Declarant is entitled to designate members to the Condominium Board, any committee appointed by any such Board shall have as at least one of its members a member appointed by Declarant.

2.18 **Principal Offices of Boards**

The principal offices of the Boards shall each be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by such Boards.

2.19 **Status of Boards**

In addition to the status conferred upon each of the Boards under or pursuant to the provisions of the Condominium Act, each of the Boards shall, to the extent permitted by applicable Law, be deemed to constitute a separate association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of any of the Boards pursuant to the provisions of 2.20, the provisions of this Section 2.19 shall no longer be applicable to such Board.

2.20 **Incorporation of Boards**

To the extent and in the manner provided in the Condominium Act, each of the Boards may by action of such Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Condominium Board so incorporates, it shall have, to the extent permitted by applicable Law, the status conferred upon it under such statutes in addition to the status conferred upon such Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of

any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.21 **Boards as Agents of Unit Owners**

In exercising their respective powers and performing their respective duties under the Declaration and these By-Laws, each Board shall act in good faith as, and shall be, the agent of the Unit Owners such Board represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.22 **Development Rights**

Each Board shall be authorized to, and, upon the request of Declarant or the Development Rights Purchaser, each Board shall be obligated, to execute and deliver any documents or applications reasonably required in connection with a Merger, any declaration of zoning lot restrictions, the ZLDA or the transfer of the Development Rights to the Development Rights Purchaser."

ARTICLE 3

UNIT OWNERS

3.1 **Annual Meetings**

The first annual meeting of Commercial Unit Owners shall be called on or no more than one (1) year after the First Closing. Such meeting shall be held not less than ten (10) days nor more than forty (40) days after such date. At such meeting, the incumbent Commercial Board shall resign and the Commercial Unit Owners shall elect or designate the Commercial Board's three members in accordance with Section 2.1 and as otherwise provided in these By-Laws. Thereafter, annual meetings of Commercial Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At each such annual meeting, the incumbent Commercial Board members shall resign and new Board members shall be elected or designated in accordance with Section 2.1 and as otherwise provided in these By-Laws. Within ten (10) days following each annual meeting, the Commercial Board shall elect or designate in accordance with Section 2.1 and these By-Laws two (2) representatives to the Condominium Board. On or no more than one (1) year after the First Closing, the Residential Board will also call the first annual meeting of the Residential Unit Owners. Such meetings shall be held not less than ten (10) days nor more than forty (40) days after such date. At such meeting, the incumbent Residential Board shall resign and the Residential Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these By-Laws, including the rights of Declarant to designate certain members to the Residential Board pursuant to Section 3.9.3 of these By-Laws) a Residential Board consisting of five (5) members. Thereafter, annual meetings of Residential Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, the incumbent Board members shall resign and the members of the Residential Board shall be elected and there shall also be transacted such other business as may properly come before such meetings. The members of the Residential Board shall also serve as members of the Condominium Board. No

joint annual meeting of Residential Unit Owners and the Commercial Unit Owners shall be required to be held unless otherwise required by Law, in which event each such joint annual meeting shall be held on the date above specified for the annual meeting of Residential Unit Owners.

3.2 Place of Meetings

Meetings of all or any Unit Owners, Residential Unit Owners or Commercial Unit Owners, as the case may be, shall be held at the principal office of the Condominium or the Residential or Commercial Section, respectively, or, at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the appropriate Board.

3.3 Special Meetings

The President of the Residential or Commercial Board shall call a special meeting of respective Unit Owners, if so directed by resolution of the respective Board or upon a petition signed and presented to the Secretary of the respective Section by not less than twenty-five percent (25%) in Common Interest of Unit Owners in such Section. The President and the Vice President of the Condominium shall call a special joint meeting of all Unit Owners if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Condominium by not less than twenty-five percent (25%) in Common Interest of Residential Unit Owners or 67% in Common Interest of Commercial Unit Owners.

3.4 Notice of Meetings and Actions Taken

Notice of each annual or special meeting shall be given by the appropriate Secretary to all Unit Owners of record entitled to vote thereat as of the date of said notice. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, regular mail, recognized overnight courier or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment. A Unit Owner's failure to object to any or all of a proposed amendment to the Declaration or to these By-Laws before or at such meeting shall be deemed to be approval of such amendment by the Unit Owner.

3.5 Adjournment of Meetings

If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

3.6 **Order of Business**

The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 **Title to Units**

Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, or by any other entity legally entitled to take title to property. The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity legally entitled to own real property (including any entity or person entitled to diplomatic or sovereign immunity) may require the delivery to the Condominium Board or its managing agent at Closing, any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, an occupancy agreement, an escrow agreement and an amount equal to the current common charge for such Unit for a period of years, to be held in escrow by the Condominium Board or its Managing Agent, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions contained in these By-Laws.

3.8 **Voting**

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Residential Unit Owners or Commercial Unit Owners and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the appropriate

Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six (6) months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. No Board or its designee shall be entitled to vote the interest appurtenant to any Unit owned by such Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to such Unit Owner's Unit.

3.8.3 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is in terms of the Residential Unit Owners, as a group, or the Commercial Unit Owners as a group (as opposed to all Unit Owners as a whole), such required percentage shall mean a percentage in terms of total Common Interests attributable to that particular group and not the percentage of Common Interests attributable to all Unit Owners.

3.8.4 Notwithstanding anything to the contrary set forth above, Unit Owners may vote to amend the Declaration and these By-Laws pursuant to Article 20 of the Declaration and Article 13 of these By-Laws, without a meeting, provided that such Unit Owners receive no less than thirty (30) days notification of such proposed amendment from the Condominium Board, the Residential Board or the Commercial Board as the case may be, together with a copy of the text of such proposed amendment and a proxy with respect to such vote.

3.9 Election of Board Members; Rights of Declarant

3.9.1 All elections of Board members shall be determined by plurality vote.

3.9.2 When voting for members of the Residential or Commercial Board, respectively, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with Section 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Residential Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it. Declarant shall hold a majority of seats on the Residential Board and the Condominium Board until the later to occur of (i) five (5) years from the date of the First Closing or (ii) that date upon which the votes cast at any election of Residential Board members

constitute less than a majority of the votes cast for Declarant's nominees at such meeting (the "Initial Control Period"). Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Board, shall be filled by a person designated by Declarant. In addition, (a) for so long as Declarant owns less than 50% of the Residential Units but more than 15% of the Unsold Residential Units Declarant shall have the right to designate at least two members of the Residential Board and (b) for so long as Declarant owns at least two of the Unsold Residential Units Declarant shall have the right to designate at least one member of the Residential Board who shall also sit on the Condominium Board. For so long as Declarant owns at least two of the Unsold Residential Units the number of members of the Residential Board may not be increased without the consent of Declarant. Within ten (10) days after the Initial Control Period, one of the Declarant designated members of the Residential Board shall resign and in such event a Residential Unit Owner meeting will be held to elect a new board member unrelated to the Declarant within thirty (30) days after the expiration of the Initial Control Period.

3.9.4 Nothing contained herein shall be deemed to limit the right of Declarant to cast its votes for individuals nominated to the Residential Board who are not nominated or designated by Declarant, which individuals, if elected, shall not be deemed Declarant nominees or designees and shall not be deemed to cause Declarant to control either the Condominium Board or the Residential Board.

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

3.9.6 Notwithstanding anything to the contrary set forth above, if required under the terms of any Permitted Mortgage held by Declarant or a Commercial Unit Owner, in the event of a default under such Permitted Mortgage, the Permitted Mortgagee will be entitled to designate, remove or replace the members of the Boards whose Units are subject to the lien of said Permitted Mortgage.

3.10 Majority of Unit Owners

Except as may otherwise be provided by Law, as used in these By-Laws, the terms "Majority of Residential Unit Owners," "Majority of Commercial Unit Owners" and "Majority of Unit Owners" means either those Residential Unit Owners, Commercial Unit Owners, or Unit Owners, as the case may be, having more than fifty percent (50%) of the total votes cast (in person or by proxy) at any meeting at which a quorum is present of either Residential Unit Owners, Commercial Unit Owners, or all Unit Owners, as the case may be, determined in accordance with the provisions of 3.8.

3.11 Quorum

Except as otherwise provided in these By-Laws, the presence in person or by proxy of (a) Residential Unit Owners owning more than thirty percent (30%) of the Common Interests attributable to all Residential Units shall constitute a quorum at all meetings of Residential Unit Owners, (b) Commercial Unit Owners owning more than fifty percent (50%) of the Common Interests attributable to all Commercial Unit Owners shall constitute a quorum at all meetings of Commercial Unit Owners, and (c) Unit Owners owning more than fifty percent (50%) of the Common Interests attributable to all Units shall constitute a quorum at all joint meetings of Unit Owners, except that the Commercial Board shall have the absolute right to require an adjournment of such joint meetings for not longer than thirty (30) days unless an Emergency exists.

3.12 Majority Vote

Except where otherwise provided by Law, the Declaration or these By-Laws, (a) at all separate meetings of Residential Unit Owners, the affirmative vote of a Majority of Residential Unit Owners shall be binding upon all Residential Unit Owners for all purposes, (b) at all separate meetings of Commercial Unit Owners, the affirmative vote of a Majority of Commercial Unit Owners shall be binding upon all Commercial Unit Owners for all purposes, and (c) at all joint meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

3.13 Determination of Unit Owners

When the Residential Unit Owners and Commercial Unit Owners, with each acting separately in accordance with the provisions of this Article 3, have made the same determination as to any matter which is required or permitted to be determined by all Unit Owners, such determination shall constitute the determination of all Unit Owners. No joint meeting of Residential Unit Owners and the Commercial Unit Owners shall be necessary for any such determination to be made by all Unit Owners. Notwithstanding anything to the contrary set forth herein as to any matter as to which the Residential Unit Owners or Commercial Unit Owners are permitted or required to act at any meeting of such Unit Owners, such action may be taken without a meeting if the requisite number of such Unit Owners, in number and Common Interest, consent in writing (by proxy or otherwise) to such action and the writing or writings are filed with the minutes of such Board.

ARTICLE 4

OFFICERS

4.1 Designation

The principal officers of the Condominium shall be (a) for the Residential Board, a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the members of the Residential Board, (b) for the Commercial Board, a President, Vice-President, Secretary and Treasurer thereof, all of whom shall be elected by the members of the Commercial Board, and (c) for the entire Condominium, (i) a President thereof, who shall be the same person serving as President of the Residential Section, (ii) a Vice President and Treasurer thereof, who shall be the same person serving as President of the Commercial Section, and (iii) a Secretary thereof, who shall be the same person serving as Secretary of the Residential Board. The Condominium Board, Commercial Board and the Residential Board may each appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. Any officer or director of the Residential Section may also be an officer or director of the Commercial Section and any officer or director of the Commercial Section may also be an officer or director of the Residential Section. None of the officers of the Residential Board, the Commercial Board or the Condominium Board need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Residential Board after the first annual meeting of Residential Unit Owners. Thereafter, the President and Vice President of the Residential Board must be members of the Residential Board.

4.2 Election of Officers

The officers of the Residential Board and the Commercial Board shall be elected annually by the members of the Residential Board and the Commercial Board, respectively, at the organizational meetings thereof, except that the initial officers of the Residential Board and the Commercial Board shall be elected, respectively, by the initial Residential Board members and the initial Commercial Board members and shall hold office at the pleasure of such Boards and until their successors are elected.

4.3 Resignation and Removal of Officers

Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board which elected such officer. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board electing him, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 Presidents

The President of the Condominium Board shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President of the Residential Board shall be the chief executive officer

thereof and shall preside at all meetings of the Residential Board and Residential Unit Owners. The President of the Commercial Board shall be the chief executive officer thereof and shall preside at all meetings of the Commercial Board and the Commercial Unit Owners. Each of said Presidents shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners or Residential Unit Owners or Commercial Unit Owners from time to time as the President decides is appropriate to assist in the conduct of the affairs of the entire Condominium or of the Residential or Commercial Section, as the case may be.

4.5 Vice Presidents

Each of the Vice Presidents shall take the place of the President under whom such Vice President serves and perform the duties of the President whenever such President shall be absent or unable to act. If both the President and the Vice President of the Residential Board, the Commercial Board, or the Condominium Board are unable to act, the Board under whom such President and Vice President serves shall appoint some member of such Board to act in the place of such President and Vice President on an interim basis. Each Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board or by the President under whom such Vice President serves.

4.6 Secretaries

The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board. The Secretary of the Residential Section shall keep the minutes of the meetings of the Residential Board and Residential Unit Owners. The Secretary of the Commercial Section shall keep the minutes of the meetings of the Commercial Board and the Commercial Unit Owners. Each of the Secretaries shall have charge of such books and papers as the Board under which such Secretary serves shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Treasurers

Each of the Treasurers shall have the care and custody of the funds and securities of the Condominium, the Commercial or the Residential Section, as the case may be, 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. Each of the Treasurers shall be responsible for the deposit of all funds and other securities in the name of the Board for which such Treasurer serves (or in the name of the managing agent appointed by such 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.

4.8 Execution of Documents

Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium or of the Residential or Commercial Section shall be

executed by any officer thereof or by such other person or persons as may be designated by the applicable Board. However, the Condominium Board can, by resolution, determine that an expenditure in excess of a specified amount by said Board must be countersigned by two (2) members of said Board.

4.9 Compensation of Officers

Except as otherwise provided by the Board for which such officer serves, no officer shall receive any compensation for acting as such.

ARTICLE 5

NOTICES

5.1 Notices

All notices required or desired to be given hereunder to the Condominium Board shall be personally delivered or sent by registered or certified mail to the office of such Board or to such other address as such Board may designate from time to time, by notice in writing to the other Board and to all Unit Owners and to all Permitted Mortgagees, as the case may be, and if there is a managing agent of such Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Residential Unit Owner or Commercial Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Residential Unit Owner or Commercial Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board and the Commercial or Residential Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board, Commercial Board and the Residential Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 Waiver of Service of Notice

Whenever notice is required to be given by Law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges

6.1.1 Except as otherwise provided herein the General Common Expenses (as hereinafter defined) shall be determined by the Condominium Board as set forth below, and shall be borne by the Residential Board and the Commercial Board. "General Common Expenses" shall be defined to include the following: (i) all costs and expenses attributable to the

Maintenance and operation of, and any alteration, addition or improvement to, the Common Elements, (ii) all such other items provided for in the Declaration or these By-Laws to be General Common Expenses and (iii) such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet General Common Expenses and shall allocate and assess to the Residential Unit Owners and the Commercial Unit Owners, pro rata in accordance with the aggregate respective Common Interests of the Residential Unit Owners and Commercial Unit Owners (except as otherwise provided in the Declaration or these By-Laws or to the extent a different method of allocation is described in Schedule B – Projected Budget for First Year of Condominium Operation), charges as set forth in the Plan ("General Common Charges") to meet General Common Expenses. General Common Charges shall also be deemed to include any Special Assessment (as defined in Section 6.1.6 hereof) imposed by the Condominium Board on Unit Owners. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law. Notwithstanding anything to the contrary set forth above, the Condominium Board may not modify its method of allocations and assessments or increase the number of building employees servicing the Commercial Units or categories of services, utilities or supplies provided to the Commercial Units in such a manner as would increase the Common Charges otherwise payable by the Commercial Unit Owners, without the consent of the Commercial Unit Owners.

6.1.2 Except as otherwise provided herein Residential Common Expenses (as hereinafter defined) shall be determined exclusively by the Residential Board and shall be borne solely by the Residential Unit Owners in proportion to their respective Common Interests. Residential Common Expenses shall be defined to include the following (i) all costs and expenses in connection with the Maintenance and operation of and any alteration, addition or improvement to, Residential Common Elements or the Residential Limited Common Elements, (ii) such amounts as the Residential Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Residential Common Elements or the Residential Limited Common Elements (including without limitation the rental or purchase of an apartment to be used as the residence of the Building resident manager and all costs and expenses associated therewith) and (iii) all such other items provided for in the Declaration or these By-Laws to be Residential Common Expenses. Notwithstanding anything to the contrary in this Section 6.1.2, if a Residential Common Element or Residential Limited Common Element benefits only certain Residential Unit Owners, then the costs of operation, alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Unit Owners who benefit from the Residential Common Element or Residential Limited Common Element in the proportion that the Common Interest of each benefiting Residential Unit Owner bears to the Common Interest of all benefiting Residential Unit Owners. In addition, except as otherwise provided in the By-Laws, such Unit Owners shall be responsible for the normal operation and Maintenance and repair, including but not limited to the cost of staff necessary for such operation and maintenance of any such Residential Common Element or Residential Limited Common Element at their sole cost and expense. The Residential Board shall from time to time and at least annually prepare a

budget to meet Residential Common Expenses and shall allocate and assess to the Residential Unit Owners, pro rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or these By-Laws), charges ("Residential Common Charges") to meet (a) Residential Common Expenses and (b) the Residential Unit Owners' pro rata share of General Common Charges. Residential Common Charges shall also be deemed to include any Special Assessment imposed by the Residential Board on Residential Unit Owners. From time to time the Residential Board may increase or decrease the amount of Residential Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Residential Common Expenses for such fiscal year or any portion thereof. During the Condominium's initial two (2) fiscal years but not thereafter, the Residential Board's authority shall include the right to base the amount of Residential Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Residential Common Charges payable by Residential Unit Owners for any period to reflect actual operating costs for such period. In addition to basing charges on Common Interests, the Residential Board may also make allocations and assessments of Residential Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of Law. The Residential Board shall advise all Residential Unit Owners promptly in writing of the amount of Residential Common Charges payable by each of them and shall furnish copies of each annual budget to all Residential Unit Owners at least five (5) days prior to the adoption thereof and provide a copy to Permitted Mortgagees upon request therefor. In the event that the annual receipts levied against Unit Owners exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Declarant during the first year of condominium operation will be distributed by the Condominium Board to Declarant and the Residential Unit Owner(s) in proportion to the amount of time Declarant and each Residential Unit Owner owned such Unit.

6.1.3 Except as otherwise provided herein, all costs and expenses in connection with the Maintenance and operation of, Commercial Common Elements or Commercial Limited Common Elements ("Commercial Common Expenses") shall be determined by the Commercial Board and shall be borne solely by the Commercial Unit Owners. Notwithstanding anything to the contrary in this Section 6.1.3, if a Commercial Common Element or Commercial Limited Common Element benefits only certain Commercial Unit Owners, then the Commercial Section's costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Commercial Unit Owners who benefit from the Commercial Common Element or Limited Common Element in the proportion that the Common Interest of each benefiting Commercial Unit Owner bears to the Common Interest of all benefiting Commercial Unit Owners. In addition, except as otherwise provided in the By-Laws, such Commercial Unit Owners shall be responsible for the normal operation and Maintenance, including but not limited to the cost of staff necessary for such operation and Maintenance, of any such Commercial Common Element or Commercial Limited Common Element at their sole cost and expense. Commercial Common Expenses shall also include such amounts as the Commercial Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Commercial Common

Elements, and such amounts, determined by the Commercial Board as may be required for the purchase, lease or sublease by the Commercial Board or its designee, corporate or otherwise, on behalf of all Commercial Unit Owners, of any portion of a Commercial Unit whose owner has elected to sell, lease, transfer or convey such portion of the Unit or which is to be sold at a foreclosure or other sale. Commercial Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Commercial Common Expenses. The Commercial Board shall from time to time and at least annually prepare a budget to meet Commercial Common Expenses and shall allocate and assess to the Commercial Unit Owners, pro rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or these By-Laws), charges ("Commercial Common Charges") to meet (a) Commercial Common Expenses, and (b) the Commercial Unit Owners' pro rata share of General Common Charges. Such budgets shall include such amounts for reserves as the Commercial Board deems appropriate. In addition to basing charges on Common Interests, the Commercial Board may also make allocations and assessments of Commercial Common Expenses in accordance with sub-metering, 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 Law. The Commercial Board shall advise all Commercial Unit Owners promptly in writing of the amount of Commercial Common Charges payable by each of them and shall furnish copies of each budget on which such Commercial Common Charges are based to all Commercial Unit Owners at least five (5) days prior to the adoption thereof and provide a copy to Permitted Mortgagees upon request therefor.

6.1.4 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 remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners, or forming a part of or included in any Residential or Commercial Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by (i) the Residential Board if a Residential Common Element is involved, as agent for and on behalf of the Residential Unit Owners or (ii) the Commercial Board if a Commercial Common Element is involved, as agent for an on behalf of the Commercial Unit Owners. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.5 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.6 "Special Assessments" shall mean those assessments levied against Unit Owners for the purpose of paying non-recurring, extraordinary expenses affecting the General Common Elements, including without limitation, capital expenses relating to the General Common Elements. All Special Assessments relative to the General Common Elements shall be levied by the Condominium Board against the Unit Owners in the proportion of each Unit Owner's respective Common Interests. Such Special Assessments shall be payable by the Unit Owners in addition to their respective obligations to pay Common Charges as herein above

provided by this Section 6.1.6. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board or Residential Board shall determine, provided, however that the Condominium Board or Residential Board shall give each Unit Owner not less than thirty (30) days' written notice, except in the case of an Emergency Situation, prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board and Residential Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges.

6.1.7 Unit Owner Expenses are expenses which shall be the sole obligation of the Unit Owner on whose behalf the expenses are incurred. Unit Owner Expenses shall be invoiced by the Condominium Managing Agent from time to time as such expenses are incurred and shall be promptly paid by the applicable Unit Owner (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore) and the Condominium Board shall have a lien on the applicable Unit Owner's Unit (whether payable to the Condominium Board or the other Unit Owner) as though such amounts were payable to the Condominium Board as Common Charges, but in the case of any payments due to the other Unit Owner, such lien shall be held and enforced by the Condominium Board for the benefit of such Unit Owner. Costs incurred by the Condominium for any Emergency work performed by the Condominium Board may be included in the Common Charges or invoiced as Unit Owner Expenses (as the case may be in accordance with the terms of the Declaration and these By-Laws) from time to time as such costs are incurred (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore). Notwithstanding anything to the contrary contained herein, during the Initial Control Period, the Declarant shall cause the Residential Board or the Condominium Board, or the Commercial Board, as the case may be, to file a lien as provided for in §339-aa of the Real Property Law on Units owned by Declarant in which Declarant is more than thirty (30) days in arrears of Common Charges.

6.1.8 Notwithstanding anything to the contrary herein, no part of the net earnings of the Condominium may inure (other than by acquiring, constructing, or providing management, Maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.2 **Insurance**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (other than the Units and all fixtures, furniture, furnishings or other personal property contained in such Units), together with all service machinery contained therein and covering the interests of the Condominium, each of the Boards and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss

payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all Boards and all officers, directors, managing agents and employees of the Condominium, the Residential Section, and the Commercial Section; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above shall be a General Common Expense.

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by (a) the Residential Board if the loss involves only the Residential Section, (b) the Commercial Board if the loss involves only the Commercial Section, (c) the Condominium Board if the loss involves both the Residential Section and the Commercial Section, or the General Common Elements. Insurance proceeds with respect to any loss shall be payable to the Board entitled to adjust such loss, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.5. Notwithstanding anything to the contrary set forth above, to the extent required under the Permitted Mortgage, a Permitted Mortgagee holding such Permitted Mortgage secured by a Commercial Unit will have the right to participate in any adjustments regarding loss or damage to the General Common Elements and the Commercial Section and no such adjustment will be made without the consent of such Permitted Mortgagee. Any dispute between or among the Boards under this Subsection 6.2.2 shall be determined by Arbitration.

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

6.2.4 Except for Workers Compensation and New York Statutory Disability Insurance coverages the Boards and the Unit Owners each agree that they shall make no claim for recovery against each other for damages to or loss of the demised premises or improvements and betterments thereon, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible insurance protecting the Boards and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages herein. The Boards and each Unit Owner, by acceptance of a deed for a Unit, shall be deemed to have waived their rights of subrogation.

6.2.5 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as such Board may from time to

time determine, covering (i) each Board, the managing agent or agents thereof, each Board member, and each officer and employee of the Condominium and Residential and Commercial Section, (ii) the Commercial Unit Owners, all officers, directors and employees thereof, and its managing agent or agents and each Residential Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

6.2.6 Any insurance maintained by the Condominium Board may provide for such deductible amounts as such Board determines.

6.2.7 The Condominium Board is not required to obtain or maintain any insurance with respect to the Unit or any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property plus at least $2,000,000 umbrella liability coverage and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for Alterations and betterments and loss due to water damage and personal property). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. To the extent a party is insured for loss or damage to property, such party will look to its own insurance policies for recovery. Policies maintained by Unit Owners pursuant to this Subsection must provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board.

6.3 Repair or Reconstruction after Fire or Other Casualty

6.3.1 In the event that either (i) the Building or any part thereof (other than the Units) is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Residential Common Elements and/or Residential Limited Common Expense, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 6.2 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $ 1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit

Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the General Common Elements and the Units, and for the benefit of all Residential Unit Owners with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Residential Common Elements, the Residential Limited Common Elements and the Residential Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 6.3. Notwithstanding anything to the contrary contained either in this Subsection 6.3.1 or elsewhere in this Section 6.3, however, no Unit Owner whose Unit, its appurtenant Residential Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he may have to pursue a separate claim against the condemning authority by reason thereof.

6.3.2 Except as otherwise provided herein, the Condominium Board with respect to the General Common Elements, the Residential Board with respect to the Residential Common Elements and the Residential Limited Common Elements and the Commercial Board with respect to the Commercial Common Elements shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Elements affected by such Taking. Damage or destruction to a Unit shall be promptly repaired and reconstructed by the Owner of the affected Unit(s). If, pursuant to the immediately preceding sentences, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. If a Residential Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board or the Residential Board may cause the Residential Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Unit Owner as a Special Assessment. Nothing contained herein shall be deemed to obligate a Commercial Unit Owner to restore a Commercial Unit except to the extent that such restoration shall be necessary to maintain that portion of the Building visible to the public in good, clean and neat appearance, in conformity with the dignity and character of the Building.

6.3.3 In the event that Work shall be performed pursuant to the terms of Subsection 6.3.1 and 6.3.2, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If only the Commercial Section (including the Commercial Common Elements or the Commercial Limited Common Elements) is destroyed or damaged by fire or other casualty and if the net insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the Commercial Unit Owners, in proportion to their respective Common Interests, will bear the entire amount of the deficit as a Commercial Common Expense, or shall receive all of the surplus, as the case may be. Similarly, if only the Residential Section (including the Residential Units, Residential Common Elements and/or the Residential Limited Common Elements) is damaged or destroyed by fire or other casualty and the insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be borne as a Residential Common Expense or profit, respectively, and shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the Commercial Section,

the Residential Section and the General Common Elements, or any combination of two thereof, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Residential Section, Commercial Section and General Common Elements, as the case may be, bears to the total cost of repairing all damage or destruction. However, the Commercial Board shall still have the right to make all arrangements for the prompt repair and restoration of the Commercial Units to the extent they are affected by such damage or destruction. If said damage or destruction, however, affects only the General Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a General Common Expense or profit, respectively, as provided in 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this Section 6.3 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.4 If seventy-five percent (75%) or more of the Building is destroyed or substantially damaged by fire or other casualty (a "Significant Casualty"), the Work shall not be performed unless seventy-five percent (75%) or more of all Unit Owners (including Declarant, if Declarant shall then own any Units), shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of Subsections 6.3.1 and 6.3.2 hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Residential Unit Owners in proportion to their respective Residential Common Interest, to the extent allocated to destroyed or damaged portions of the Residential Units or the Residential Common Elements or the Residential Limited Common Elements, and to the Commercial Unit Owner, to the extent allocated to destroyed or damaged portions of the Commercial Unit, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

6.3.5 If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of Section 6.3.4 hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Residential Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Residential Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest, appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be

based upon the new Common Interest and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

6.3.6 As used in this Section 6.3, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) sixty (60) days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) ninety (90) days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of Subsection 6.3.1, sixty (60) days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than sixty (60) days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

6.3.7 Any dispute that may arise under this Section 6.3 between any Unit Owners or any Boards shall be resolved by Arbitration.

6.4 **Payment of Common Charges**

6.4.1 The Residential Unit Owners and the Commercial Unit Owners shall be obligated to pay to the Condominium Board the General Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. All Residential Unit Owners and Commercial Unit Owners shall be obligated to pay Residential or Commercial Common Charges, as the case may be, assessed by the Residential and Commercial Boards pursuant to the provisions of Section 6.1 at such time or times as such Boards determine. The Boards may jointly determine to cause the Condominium Board to act as their respective agent to collect Residential Common Charges and Commercial Common Charges as applicable. Unless otherwise determined by the Board to which they are payable, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any

provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Residential or Commercial Board or the Condominium Board or their designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Residential or Commercial Common Charges or General Common Charges, as the case may be, thereafter accruing. Except as set forth herein, a purchaser of a Unit shall be liable for and shall assume the responsibility for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by Law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by Law, the Residential Board, on behalf of all Residential Unit Owners, shall have a lien on each Residential Unit for unpaid Residential Common Charges, together with interest thereon, assessed against such Unit. Except to the extent prohibited by Law, the Commercial Board, on behalf of all Commercial Unit Owners, shall have a lien on each Commercial Unit for unpaid Commercial Common Charges, together with interest thereon, assessed against such Unit. In addition, except to the extent prohibited by Law, the Condominium Board, on behalf of all Unit Owners, shall have a lien for General Common Charges unpaid to it by (i) the Residential Unit Owners, together with interest thereon, on all Residential Units, in proportion to their respective Common Interests, and (ii) the Commercial Unit Owners, together with interest thereon, on the Commercial Units, in proportion to their respective Common Interests. No Unit Owner may be exempted from liability for such Unit Owner's Common Charges by waiving use of any Common Elements or by abandonment of such Unit Owner's Unit. Dissatisfaction with the quantity or quality of maintenance or services furnished to the Property or the degree to which the construction in the Building shall have been complete shall not be grounds for a Unit Owner withholding or failure to pay all or any portion of the Common Charges or any other assessments.

6.4.3 All liens provided for in Subsection 6.4.2, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.4 Notwithstanding Subsection 6.4.2, neither the seller nor the purchaser of a Residential Unit shall be liable for, nor shall the Residential Unit be conveyed subject to a lien for, any unpaid Common Charges against such Residential Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Residential Board.

6.4.5 In the event that prior to the Units being separately assessed for real estate tax purposes, a Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and such Board shall have a lien (as provided in Subsection 6.4.2) for any such accrued and unpaid amounts.

6.5 Collection of Common Charges

Each Board shall take prompt action to collect any Common Charges due to such Board which remain unpaid for more than thirty days after the due date for payment thereof.

6.6 Default in Payment of Common Charges and other Obligations

6.6.1 In the event any Unit Owner fails to make payment of Common Charges or Special Assessments when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one (1%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Condominium Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in §339-z of the New York Condominium Act, in the manner provided in §339-aa thereof or in any other manner permitted by Law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, each Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. In addition a Board may suspend a Unit Owner's voting rights and privileges for failure to pay any Common Charges or Special Assessments due.

6.6.2 In accordance with and subject to the provisions of §339-kk of the Real Property Law, in the event that a Unit Owner leases its Unit and the payment of Common Charges, assessments or late fees by any non occupant Unit Owner is more than sixty (60) days late after the expiration of any grace period within which they are due, payments from a tenant of such Unit may become directly payable to the Condominium upon written notice by the Condominium to the tenant and the non-occupant Unit Owner. Where a majority of the Condominium Board has been elected by Unit Owners who are in occupancy of their respective Units, the Condominium Board may elect not to require that the rental payments be paid to the Condominium. Once the Common Charges, assessments and late fees of the non-occupant Unit Owner have been brought current, the Condominium Board must notify the non-occupant unit owner and tenant within three (3) business days and thereafter the rent will be payable to the non-occupant Unit Owner or a designated agent.

6.7 Foreclosure of Liens for Unpaid Common Charges

6.7.1 In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Residential Board, acting on behalf of all Residential Unit Owners, shall have the power to purchase any such Residential Unit, and the Commercial Board, acting on behalf of all Commercial Unit Owners, shall have the power to purchase any such Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with

such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.7.2 The Condominium Board at the request of the Commercial Unit Owner, will enter into a nondisturbance agreement (the "Condominium Nondisturbance Agreement") with a tenant occupying a Unit, on the terms set forth in this Section 5.7.2; provided such lease is an "arms-length" lease and provided further that such Unit Owner has not received a notice of default under the terms of the Declaration or these By-Laws at the time of such request. Under the terms of the Condominium Nondisturbance Agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Condominium Board will agree that so long as there no event of default exists under said lease, as would entitle the Unit Owner, or any successor landlord under the lease, to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Board's lien for Common Charges on a Unit or any other sums of any sort, recognize all of tenant's rights under the lease and will not diminish, terminate or disturb tenant's possession or rights under the lease, expand any of tenant's obligations under the lease or under the Condominium Declaration or these By-Laws, or obligate tenant to comply with any of the provisions of the Declaration or these By-Laws, except as expressly provide herein, and will recognize tenant as the direct tenant of the Board or its successor on the same terms and conditions as are contained in the lease and the tenant's use, possession, or enjoyment of the Unit in question shall not be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Board, or, in case the Board takes possession of said Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that if the Condominium Board or any other party succeeds to the interests of the Unit Owner under the lease the tenant will agree to be bound to the Condominium Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to the Board or party as its landlord. The Condominium Board, at the request of the Unit Owner entering into a lease with the tenant, shall execute and deliver promptly the Condominium Nondisturbance Agreement and any other agreement that any tenant may reasonably request in confirmation of the foregoing in form reasonably satisfactory to the Board.

6.7.3 At the request of a Commercial Unit Owner, the Boards will also be obligated to provide a Commercial Unit Owner with an estoppel certificate in form and substance requested by any lender or tenant thereof.

6.8 Statement of Common Charges

Each Board shall promptly provide the other Boards and any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 Maintenance and Repairs

6.9.1 Except as otherwise provided in the Declaration or these By-Laws, all Maintenance, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws) and the entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Residential Unit Owners and the Commercial Unit Owners as a General Common Expense, (c) in or to the Residential Common Elements or the Residential Limited Common Elements shall be made by the Residential Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Residential Common Expense, (d) in or to the Commercial Common Elements or the Commercial Limited Common Elements shall be made by the Commercial Board and the cost and expense thereof shall be charged to all Commercial Unit Owners as a Commercial Common Expense.

6.9.2 Notwithstanding the provisions of Subsection 6.9.1:

6.9.2.1 In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such Unit Owner, (b) the Condominium Board, the entire cost thereof shall be charged to the Residential Unit Owners and the Commercial Unit Owners as a General Common Expense, (c) the Commercial Board, the entire cost thereof shall be charged to all Commercial Unit Owners as a Commercial Common Expense, or (d) the Residential Board, the entire cost thereof shall be charged to all Residential Unit Owners as a Residential Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be colored or painted and no neon or colored lights may emanate therefrom and the windows may not be modified, altered or replaced without the consent of the Residential Board. All window treatments in a Residential Unit, when viewed from the outside of the window, must be white. All normal Maintenance of any Terrace shall be made by the Residential Unit Owner having access to such at such Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace (including any leaks which are not caused by the negligence of the Residential Unit Owner having access to the same) shall be made by the Residential Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Residential Common Expense. The Condominium Board and the Residential Board will have the right to require a Residential Unit Owner to obtain the consent of the Condominium Board and/or the Residential Board prior to installing plantings, surface coverings, furniture, equipment and installations on the Terraces and may require a Residential Unit Owner to remove same, at such Residential Unit Owner's sole cost and expense, if the Condominium Board or the Residential Board determines, in their respective discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building. A Residential Unit Owner will be obligated, at such Unit Owner's sole cost and expense, to remove plantings,

surface coverings, furniture, equipment and installations from the Terrace, if requested by a Board, to facilitate access to the roofing system or other Common Elements pursuant to the Declaration or these By-Laws. No Terrace may be enclosed without the express written consent of the Condominium Board. The Condominium Board and the Residential Board may establish such other rules and regulations as they deem necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.3 The exterior surface of all windows in the Residential Section if so determined by the Residential Board, shall be washed and cleaned by such Board and the cost and expense thereof shall be a Residential Common Expense. Otherwise, the exterior of all windows in the Residential Section shall be washed or cleaned at the cost and expense of the Residential Unit Owner. The interior glass surfaces of all windows located in any Unit and the exterior glass surfaces of all windows located in the Commercial Units shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future Law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Condominium Board and the other Unit Owners, and their respect agents and employees, for all losses, damages, or fines suffered by any of them as a result of a violation of Law.

6.9.2.4 The exterior of all front doors of Residential Units shall not be painted or decorated other than with the consent of the Residential Board.

6.9.2.5 No awnings, air conditioning equipment, ventilators or other Facilities or equipment will be installed or modified in the Residential Section without prior written approval of the Condominium Board.

6.9.2.6 Any repairs or Maintenance work performed with respect to the incremental HVAC units in each Residential Unit shall only be performed by a company or individual previously approved by the Residential Board.

6.9.2.7 Routine maintenance and repairs of the vault space in the Cellar shall be the obligation of the Residential Board or the Commercial Unit Owners having the exclusive use thereof. The costs of any structural repairs, including repairs to the foundations or retaining walls adjacent to the vaults and the closing of the vaults shall be performed by the Condominium Board and the cost therefor shall be a General Common Expense.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any Terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water to the extent same would cause damage to the Building) by the Unit Owner or Board, whichever is responsible for the Maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all Maintenance necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and

character of the Building, by (a) each Board with respect to such parts of the Building required to be Maintained by it, (b) each Unit Owners with respect to such Unit Owner's Unit and any Limited Common Elements required to be Maintained by the Unit Owner, including, without limitation shades, venetian or other blinds, drapes, curtains or other window decorations in or in or appurtenant to such Unit Owner's Unit. Notwithstanding anything to the contrary set forth above, the Condominium Board shall not, without the consent of the Commercial Unit Owner, decrease the level of services (including, but not limited to heat and cooling) supplied to the Commercial Units as of the date of the filing of the Declaration.

6.9.4 In the event of an Emergency (i) affecting the Residential Section, Commercial Section employees will assist Residential Section employees, and (ii) affecting the Commercial Section, Residential Section employees will assist Commercial Section employees and the costs thereof shall be appropriately allocated to the Section receiving the benefit of such assistance.

6.9.5 Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner that fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

6.10 Violations of Obligations

6.10.1 In the event that any Residential Unit Owner, within a reasonable time after receipt of written notice from the Residential Board, fails to perform any of its obligations with respect to the Maintenance of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Residential Board may, but shall not be obligated to, perform or cause to be performed such Maintenance unless such Residential Unit Owner, within thirty (30) days after receiving notice of such default from the Residential Board (or sooner in the case of Emergency), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such Maintenance by the Residential Board, together with ten percent (10%) for overhead and interest thereon at the rate of two percent (2%) per month from the date on which such Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Residential Unit Owner to such Board and shall, for all purposes hereunder, constitute Common Charges payable by such Residential Unit Owner.

6.10.2 In the event that any Commercial Unit Owner fails or neglects in any way to perform any obligation with respect to the Maintenance of such Unit Owner's portion of the Commercial Units, the Commercial Board may, but shall not be obligated to, perform or cause to be performed any such Maintenance provided that (a) the Commercial Board gives the Commercial Unit Owner written notice that such repair or replacement is necessary and that the Commercial Board will complete such repair or replacement in the event the Commercial Unit

Owner does not promptly act or complete the repair or replacement, and (b) the Commercial Unit Owner, within five (5) days after receiving such notice, fails to cure its default, or in the case of a default not reasonably susceptible to cure within such period, fails to commence and to thereafter prosecute to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such Maintenance by the Commercial Board, together with together with ten percent (10%) for overhead interest thereon at the rate of two percent (2%) per month from the date on which the Commercial Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law) shall be payable by such Commercial Unit Owner to the Commercial Board and shall, for all purposes hereunder, constitute Commercial Common Charges payable by such Commercial Unit Owner. The Commercial Board shall have the right, in the event that the Commercial Unit Owner disputes the amount of such payment or whether the Commercial Unit Owner is obligated to pay the same, to submit such dispute to Arbitration. The Commercial Unit Owner shall pay the cost of such repair or replacement only after a determination by Arbitration to the effect that (i) the repair or replacement was required to be performed by the Commercial Unit Owner, (ii) the Commercial Unit Owner failed to perform such repair or replacement, and (iii) the cost of such repair or replacement by the Commercial Board was reasonable. Any repair or replacement performed by the Commercial Board in accordance with the terms of this Subsection 6.10.2 shall be its sole responsibility with respect to the quality of such repair or replacement and the proper completion thereof. The Commercial Board shall indemnify the Commercial Unit Owner and hold it harmless from and against any claims, costs, expenses or liabilities whatsoever, including reasonable counsel fees, in any way incurred by the Commercial Unit Owner, in connection with the manner of completion of such Maintenance by the Commercial Board of any defect described herein (but not for the existence of the condition requiring such repair or replacement).

6.10.3 Each Unit Owner must strictly comply with the provisions of the Declaration, these By-Laws, and the rules and regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief will not be exclusive of other remedies provided by Law.

6.11 Alterations, Additions, Improvements and Repairs of Units

6.11.1 Except as otherwise provided in the Declaration, no Residential Unit Owner shall make any Alteration to any Unit involving structural work or which impact upon Building systems, in or to such Unit Owner's Unit without the prior written approval of the Residential Board. No Commercial Unit Owner shall make any structural alteration, addition, improvement or repair to any Unit involving structural work or impacting upon Building systems, in or to such Unit Owner's Unit without the prior written approval of the Commercial Board which shall not be unreasonably withheld. With respect to any Alterations the Commercial Board or the Residential Board, as the case may be, may exercise the right to reasonably approve the contractors and suppliers, performing Alterations in any Unit and may, at its option, require the Unit Owner to execute an alteration agreement in form and substance satisfactory to the Commercial Board or the Residential Board, as the case may be, setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. In addition, the Residential Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing,

steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements. The foregoing provisions shall not apply to Declarant or its designee or a Permitted Mortgagee (or its designee) of Declarant or its assignee, which shall not be required to obtain the approval of any Board for any alteration, addition, improvement or repair, whether structural or non-structural in or to Unsold Residential Units or the Commercial Unit, enter into any alteration agreement with respect thereto or perform any additional work as a condition thereof and may perform any work in the Building required to complete the Building in accordance with the provisions of the Plan or to otherwise satisfy its obligations under the Plan.

6.11.2 All Alterations by Unit Owners shall be made in compliance with all Laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold each Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.3 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the appropriate Board (if such approval is required) shall, if required by Law or such department or authority, be executed by said Board or, if required, by the Condominium Board, provided that no Board shall incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant or its designee or a Commercial Unit Owner is hereby authorized on behalf of the Boards to execute the Required Documentation required to undertake, perform and complete such work to the Building (including the Units and Common Elements) as Declarant is obligated or entitled to perform in accordance with the terms of the Plan or the Declaration and these By-Laws (including, without limitation, any certificates as may be required to amend the existing certificate of occupancy to reflect a reconfiguration of the Units and/or a change in use) and to obtain such certificates of completion as may then be required by Law and, the appropriate Board, if requested by Declarant or its designee or a Commercial Unit Owner, shall execute the Required Documentation.

6.11.4 The Condominium Board may impose fees upon a Unit Owner to reimburse the Condominium Board for its costs incurred in (i) reviewing plans, specifications and other documents for the proposed Unit Work, as more particularly set forth in Section 6.11.1 above, (ii) supervising the Unit Work, including without limitation, any necessary and reasonable inspections of the Unit Work to determine whether the Unit Work is being or has been performed in accordance with the approved plans and specifications therefor and all requirements of (x) Law; (y) insurance carriers providing insurance coverage pursuant to Section 6.2, (z) the Declaration and these By-Laws (including, with respect to Unit Work which may affect the Building structure, systems or Exterior Facade, the fees and expenses of any architect or engineer employed for such purpose), and (iii) providing, in its sole discretion, appropriate security. Neither the Declarant or the owner of Unsold Residential Units shall be subject to Section 6.11.14(i) above; provided however that each Unit Owner shall reimburse the

Condominium Board for all fees and expenses incurred by it in connection with the costs and expenses of engaging any architect, engineer or other professional, which the Condominium Board may retain to review the plans, specifications and other documents submitted thereto in connection with its required consent.

6.11.5 No Alteration shall made by any Residential Unit Owner shall materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building. Prior to the issuance of the permanent certificate of occupancy for the Building, any Residential Unit Owner desiring to perform such Alterations, in addition to satisfying any other requirements of these By-Laws with respect to such Alterations, must also notify Declarant, in writing, of the scope of the proposed Alterations and satisfy other reasonable requirements of Declarant. In furtherance thereof, a Residential Unit Owner performing Alterations, shall indemnify Declarant and the Boards for any cost, expense, claim or liability incurred or suffered by Declarant or any Board as a result of any violation of Law or delay in obtaining a temporary or permanent certificate of occupancy. In the event the Alterations performed by a Residential Unit Owner do adversely affect the issuance or validity of the certificate of occupancy then upon the written request of Declarant, the Condominium Board or any other Board whose Unit Owners are affected, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.6 Until such time as the initial construction of the Building is complete, including the completion of "punch list" work, no Board or Unit Owner shall use or suffer to be used in any part of the Building any labor forces incompatible with the labor forces which are completing the construction of the Building on behalf of Declarant. In addition, Declarant shall have an easement through all parts of the Building for the prosecution of the work necessary to complete initial construction of the Building, including the completion of "punch list" work by or on behalf of Declarant, which work shall take precedence over the prosecution of any other work at the Building.

6.12 Alterations, Additions, Improvements or Repairs to Common Elements

Except as otherwise provided in the Declaration or these By-Laws, all Alterations in or to (i) any General Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Residential Unit Owners and the Commercial Unit Owners as a General Common Expense (ii) in or to the Residential Common Elements shall be made by the Residential Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Residential Common Expense, (iii) in or to the Commercial Common Elements shall be made by the Commercial Board and the cost and expense thereof shall be charged to all Commercial Unit Owners as a Commercial Common Expense, (iv) in and to a Unit by the Unit Owner thereof at the Unit Owner's sole cost and expense. Whenever in the judgment of the Residential Board, the Commercial Board or the Condominium Board, as the case may be, the cost of any alteration, addition, improvement or repair would exceed $100,000

in the aggregate in any calendar year (except if such alteration, addition, improvement or repair is provided for in a duly approved budget), then such proposed alteration, addition, improvement or repair shall not be made unless first approved by a Majority of Residential Unit Owners, a Majority of Commercial Unit Owners, or a Majority of Unit Owners, as the case may be, who shall be required to bear the cost and expense thereof as aforesaid and by the Residential Mortgage Representatives (as hereinafter defined), as the case may be, if any, with respect to Alterations made by the Residential or Commercial Board, respectively. Except as otherwise provided in the Declaration or these By-Laws, all such Alterations costing in the aggregate $100,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners or said Mortgage Representatives.

6.13 Alterations of Certain Common Elements

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by any Board, Mortgage Representative or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or any Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by such Board, Mortgage Representative or Unit Owner (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within thirty (30) days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for Maintaining such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the building.

6.13.2 Nothing contained in Subsection 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.13.3 A Commercial Unit Owner shall be entitled, at its sole cost and expense to make any alteration, addition, improvement or repair in or to the Commercial Common Elements or Commercial Limited Common Elements, or the exterior facade of the Building adjacent to such Unit Owner's Unit at such Unit Owner's cost and expense, with the prior written approval of the Commercial Board, which shall not be unreasonably withheld.

6.14 **Additional Restrictions on Use of Units**

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units.

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

6.14.3 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an Occupant in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law. Unit Owners shall have the responsibilities of an "owner" of their respective Units under Local Law 38 of 1999 or any other Law governing the use or removal of lead-based paint or other Hazardous Substances within each Unit and by execution of a deed for a Unit shall agree to indemnify and hold harmless each Board and other Unit Owners arising from the failure of a Unit Owner to comply with such Unit Owner's obligation arising from the foregoing.

6.14.4 In the event Declarant or its designee or a Commercial Unit Owner seeks to change an existing use, Declarant, its designee and/or such Commercial Unit Owner shall have the right, from time to time, to amend the certificate of occupancy for the Commercial Building to reflect such changed usage. In the event required by applicable Law, the Condominium Board shall cooperate with the Declarant or its designee or a Commercial Unit Owner, at the requesting party's expense, execute all applications, authorizations and other instruments reasonably required to enable the Declarant or its designee or a Commercial Unit Owner to amend the certificate of occupancy, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any person having any claim for injury to

person or damage to property arising therefrom. In addition to the foregoing, Declarant or its designee or a Commercial Unit Owner shall have the authority to execute the foregoing on behalf of the Boards, in accordance with Section 6.11.3 of these By-Laws.

6.15 **Use of Common Elements**

6.15.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the General or Limited Common Elements other than in (a) Residential Limited Common Elements for the exclusive use of a particular Residential Unit Owner or (b) in the areas designated as storage areas, with the prior consent of the Residential Board as to the Residential Common Elements, the Commercial Board as to Commercial Common Elements or Commercial Limited Common Elements or the Condominium Board as to General Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.3 Residential Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Residential Board for transporting packages, merchandise or other objects.

6.15.4 Scaffolding necessary for the performance of work to the General Common Elements, Limited Common Elements or any Unit may be erected on the sidewalks adjacent to the Building, however, such scaffolding shall be installed (a) upon at least ten (10) Business Days prior written notice to the Condominium Board and each Commercial Unit Owner (except in the case of an Emergency), (b) after provision of evidence to the Condominium Board that such scaffolding will be erected and Maintained in conformance with all applicable Laws and any insurance requirements imposed by the Condominium, (c) in such a manner so as to minimize interference with access to each Unit and in no event shall prevent access to any Unit, (d) consistent with the general manner in which scaffolding is installed in similar buildings in Manhattan and (e) Maintained and removed as expeditiously as possible in a commercially reasonable way. In the event such scaffolding is installed at the request of a particular Unit, the Commercial Unit Owner requesting same shall be responsible for any costs incurred in the preparation, installation and removal of temporary Signs for either the Commercial Unit Owner or the Office Unit Owner, as the case may be, and any tenants or subtenants thereof. The Condominium Board shall use commercially reasonable efforts to install two story scaffolding.

6.15.5 Except pursuant to rules adopted by the Condominium Board, which may not be adopted or amended without the Commercial Board's consent, and the terms and provisions of the Declaration and these By-Laws, in no event shall the Condominium Board or Unit Owners impair, restrict or impede the use of the General Common Elements described in the Declaration, by the Commercial Unit Owners or anyone claiming by, through or under the Commercial Unit Owners including, but not limited to, the tenants and occupants of any portion of the Commercial Units or their respective licensees or invitees.

6.15.6 The owner of any two (2) or more Residential Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Residential Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation and Maintenance of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Residential Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys its Residential Units to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.15.7 The Storage Bins may only be used in accordance with Law and only for the storage of the personal effects of the Residential Unit Owner having exclusive access to such Storage Bin and nothing can be stored in the Storage Bins which would constitute a fire hazard or threat to the health or safety of the Unit Owners or other occupants of the Building or otherwise create a nuisance in the Building. The Declarant will initially assign the Storage bins among the Residential Unit Owners. Residential Unit Owners will be responsible for all normal Maintenance to the Storage Bins; however the costs and expenses of any structural or extraordinary repairs or replacements shall be a Residential Common Expense charged to all Residential Unit Owners. The Residential Board has the authority to promulgate rules regarding use of and access to and fees associated with the Storage Bins.

6.16 **Other Provisions as to Use**

No nuisance shall be allowed in the Residential Section nor shall any use or practice be allowed in the Residential Section which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Residential Section or any portion thereof. All valid Laws of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Boards, whoever shall have the obligation to maintain or repair such part of the Property. Except as otherwise provided in the Declaration, the Commercial Section may be used for any lawful purpose including, without limitation, department and other retail stores, health clubs, theaters, banks, restaurants, commercial and professional offices; and no sale, lease, sublease or use of all or any portion of the Commercial Section shall be deemed to adversely affect the Residential Section.

6.17 Right of Access

6.17.1 Each Residential Unit Owner grants a right of access to such Unit Owner's Unit to each of the Boards, the managing agents, managers, resident managers, superintendents and/or any other person authorized by any of the foregoing. The Commercial Unit Owners, upon the same terms and conditions as set forth in Section 6.24.1, and the Residential Unit Owners grant a right of access to their respective Units to each of the Boards, the managing agents, managers, resident managers, superintendents and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the General or Limited Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the General or Limited Common Elements, or for the purpose of performing Alterations to the mechanical or electrical services or other portions of the General or Limited Common Elements within such Unit Owner's Unit or elsewhere in the Building, or for the purpose of reading, Maintaining or replacing utility meters relating to the General or Limited Common Elements, Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by the tenants and occupants of the Commercial Units or with the use of the Residential Units for their permitted purposes. In case of an Emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.17.2 Each Unit Owner grants a right of access to such Unit Owner's Unit, and the Boards shall grant rights of access to the General Common Elements and the respective Limited Common Elements to Declarant and its contractors, subcontractors, architects, engineers, agents and employees, for the completion of the Building and any punch list work therein, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

6.18 Rules and Regulations

Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Residential Rules and Regulations") concerning the use of the Residential Common Elements and the Residential Limited Common Elements. The Residential Board may from time to time, modify, amend or add to the Residential Rules and Regulations except that a Majority of Residential Unit Owners may overrule such Board with respect to any such modification, amendment or addition. The Residential Board shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Residential Unit Owners. The Commercial Board may adopt and from time to time, modify, amend or add to reasonable Rules and Regulations as they affect the use of the Commercial Units, the Commercial Common Elements and the Commercial Limited Common Elements, except that a Majority of Commercial Unit Owners may overrule said Board with respect to any adoption, modification, amendment or addition and provided further that the

Commercial Unit Owners having exclusive access to the Commercial Limited Common Elements, may overrule said board with respect to any adoption, modification, amendment or addition affecting such Commercial Unit Owners. The Condominium Board may adopt and from time to time, modify, amend or add to the Rules and Regulations as they affect the General Common Elements, except that a Majority of Unit Owners may overrule said Board with respect to any such adoption, modification, amendment or addition. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto, shall be furnished by the Board responsible therefor to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof.

6.19 **Real Estate Taxes, Water Charges and Sewer Rents**

Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more building systems by the City of New York or such other utility servicing the Unit. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. The Commercial Board shall collect such charges from the Commercial Unit Owners based on separate submetering of such Units, and will remit such amount to the Condominium Board. The remaining costs for the Building will be paid by the Residential Unit Owners and included in Residential Common Charges. Until the Units are separately assessed for real estate tax purposes, the Residential and Commercial Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (in the proportion that the Common Interest of all Residential Units or Commercial Units, as the case may be, bears to the Common Interests of all Units) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. Declarant reserves the right to collect such Common Charges at the closing of title to the Units. In the case of the Unsold Units, Declarant shall pay to the Condominium Board its allocable share of real estate taxes as Common Charges within two (2) business days of such real estate taxes being due and payable to the property taxing authorities. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. In the event of a proposed sale of any Residential Unit, the Residential Board, on request of the selling Residential Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as such Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities.

6.20 **Gas**

Gas for the Residential Section will be supplied by the utility company servicing the gas distribution system and charges therefor shall be paid by the Residential Board. The cost of gas consumed in the Residential Section will be borne by the Residential Unit Owners as a Residential Common Charge. Gas consumed in the Commercial Section will be separately metered and billed directly to each Commercial Unit Owner utilizing gas.

6.21 Electricity

Electricity for each Residential and Commercial Unit (including tenants occupying portions of the Commercial Units) shall be supplied by the utility company servicing the Units and separately metered for each Unit (or portion thereof). Each Unit Owner shall be required to pay the bills for electricity consumed or used in such Unit Owner's Unit (or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to the utility company as directed by such Board. Electricity for the Residential Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Residential Board and will be borne by the Residential Unit Owners as Residential Common Charges.

6.22 Utilities Serving the General Common Elements

Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting (a) any General Common Element shall be (i) considered part of the expense of maintaining such General Common Element, (ii) determined by the Condominium Board, and (iii) charged as a General Common Expense, (b) any Residential Common Element shall be (i) considered part of the expense of Maintaining such Residential Common Element, (ii) determined by the Residential Board, and (iii) charged as a Residential Common Expense or (c) any Commercial Common Element shall be (i) considered part of the expense of Maintaining such Commercial Common Element, (ii) determined by the Condominium Board, and (iii) charged as a Commercial Common Expense. Any dispute as to the amount of such cost or expense shall be determined by Arbitration.

6.23 Abatement and Enjoinment of Violations by Unit Owners

6.23.1 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 (a) the Condominium Board with respect to matters affecting the General Common Elements, (b) the Residential Board with respect to matters affecting the Residential Section, and (c) the Commercial Board with respect to matters affecting the Commercial Section, the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Residential Unit or Commercial Unit or General or Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and such Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

6.23.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant and/or the owner of any Unsold Residential Unit the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

6.23.3 In the event Condominium Board, the Residential Board, the Commercial Board and/or the Declarant (hereinafter the "Creditor Party") takes any action or brings any proceeding against a Unit Owner (hereinafter the "Defaulting Unit Owner") pursuant to the provisions of this Section, the Defaulting Unit Owner shall reimburse the Creditor Party for all reasonable costs and charges incurred by the Creditor Party in connection therewith, including without limitation, attorneys fees, together with all reasonable out-of-pocket costs and expenses incurred by the Creditor Party, together with interest on all of the foregoing at the rate of interest of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) from the date of the payment or performance of the service by the Creditor Party or due date (if otherwise provided herein), until fully paid by the Defaulting Unit Owner. The Creditor Party may bill the Defaulting Unit Owner therefor at any time. Funds expended by the Creditor Party plus interest earned thereon, as aforesaid, shall be deemed a charge assessed against the Defaulting Unit Owner's Unit and the failure to make such reimbursement shall be deemed a default in the payment of Common Charges subject to the provisions governing such defaults as set forth in the Condominium Act and the By-Laws and the Condominium Board, upon receipt of such funds from the Defaulting Party shall promptly reimburse the Creditor Party.

ARTICLE 7

MORTGAGES

7.1 Notice to Boards

A Unit Owner who mortgages such Unit Owner's Unit, or the holder of any mortgage encumbering such Unit, shall notify the Residential Board in the case of a Residential Unit or the Commercial Board in the case of all or a portion of any Commercial Unit, of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with such Board. The mortgage secured by a Residential Unit shall be substantially in the form of the New York Board of Title Underwriters or such other forms customarily used by lenders making loans secured by individual residential condominium units. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering such Unit Owner's Unit shall so notify the applicable Board and shall file a conformed copy of the satisfaction of mortgage with such Board. Each of such Boards shall maintain such information in a book entitled "Mortgages of Units."

7.2 Notice of Default and Unpaid Common Charges

Whenever so requested in writing by a Permitted Mortgagee of any Unit, the Residential Board with respect to Permitted Mortgagees of Residential Units and the Commercial Board with respect to Permitted Mortgagees of any Commercial Unit, shall promptly report to such Permitted Mortgagee any default in the payment of Residential Common Charges or Commercial Common Charges, as the case may be, or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which of which such Board may have received notice.

7.3 Performance by Permitted Mortgagees

The Residential Board, Commercial Board or Condominium Board, as the case may be, shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner. The Condominium Board or the Commercial Board, as the case may be, shall accept, by any Permitted Mortgagee of Declarant or a Commercial Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Commercial Unit Owner or Declarant pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Commercial Unit Owner or Declarant and in such event the Permitted Mortgagee shall be entitled to an additional ten (10) day period after expiration of applicable notice and cure periods, within which to cure any monetary default by a Unit Owner hereunder and an additional thirty (30) days after expiration of applicable notice and cure periods; provided however, that in the case of a non-monetary default that cannot, in the exercise of diligence, be cured within such the thirty (30) day period, the Permitted Mortgagee shall have such time as is reasonably necessary to cure such non-monetary default (including any time reasonably necessary to obtain possession of the Property covered by such Permitted Mortgage if possession is necessary to enable such Permitted Mortgagee to cure or remedy such default or event of default) provided that such Permitted Mortgagee proceeds with all due diligence to cure or remedy such breach or default and/or obtain possession. In the event that more than one Permitted Mortgage is secured by a Unit, the senior Permitted Mortgagee shall be entitled to take all actions permitted under this Article unless all the Permitted Mortgagees otherwise designate a different Permitted Mortgagee to so act, by notice to the Condominium Board.

7.4 Examination of Books

Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium (including, in the case of Residential or Commercial Unit Owners and Permitted Mortgagees thereof, the books of account of the Residential Section or the Commercial Section, as the case may be) at reasonable times, on business days, but not more than once a month.

7.5 Representatives of Mortgagees

7.5.1 In the manner more particularly set forth in Subsection 7.5.2, the holders of Permitted Mortgages (as hereinafter defined) secured by Residential Units, may, at their election, designate one (1) or more (but not more than three (3)) representatives ("Residential Mortgage Representatives") who shall be empowered to act on behalf of all holders of Permitted Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Residential Mortgage Representatives are so designated and notice thereof is given to the Residential Board, the act of any such Representative (or a majority of such Representatives if more than one is so designated) shall be deemed binding upon the holders of all Permitted Mortgages. As used herein the term "Permitted Mortgage" means any first mortgage covering a Unit or Units, the initial holder of which is (i) Declarant or its designee (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real

estate investment trust, investment or finance company, mortgage trust or other entity which is in the business of providing loans secured by condominium units, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.5.2 Any designation of a Residential Mortgage Representative made by the holders of Institutional Residential Mortgages, constituting a majority in principal amount of all Institutional Residential Mortgages shall be binding upon the holders of all Institutional Residential Mortgages. Any such designation of any Residential Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the appropriate Board. Unless otherwise required by Law, all Permitted Mortgagees other than holders of an Institutional Residential Mortgage, shall have no right to participate in the selection of Residential Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Residential Mortgage Representatives pursuant to the Declaration or these By-Laws.

7.6 **Consent of Mortgagees.**

Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of any Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against such Unit Owner's mortgagor.

7.7 **Mortgage of Units.**

Subject to the provisions of this Article 7 and Section 8.16 of the By-Laws, each Unit Owner shall have the right to mortgage such Unit Owner's Unit without restriction, provided that, with respect to any mortgage covering a Residential Unit, the Residential Unit Owner making such mortgage shall notify in writing the Residential Board of the making of such mortgage. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to such Unit Owner's Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 7.7 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

7.8 **Governmental Agency Requirements.**

The following shall apply to the extent that, and for so long as a Government Agency Mortgage encumbers a Residential Unit.

7.8.1 Notice. Notwithstanding anything to the contrary set forth in the Declaration or these By-Laws, the Residential Board shall provide timely notice to a Permitted Mortgagee, upon written request therefor (which written request shall provide the name and

address of such Permitted Mortgagee and the Unit secured by such Permitted Mortgagee), of: (A) any proposed action that requires the consent of a specified percentage of Permitted Mortgagees hereunder, (B) any proposed amendment to the Declaration effecting a change in (i) the boundaries of any Residential Unit or the exclusive easement rights appertaining thereto (if any), (ii) the General Common Interest, the Residential Common Interests and the General Common Expenses or Residential Common Expenses, (iii) the voting percentage attributable to a Residential Unit, or (iv) the purpose to which any Residential Unit or the Common Elements are restricted, (C) any proposed termination of the Condominium regime, (D) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects the Unit secured by such Permitted Mortgagee (E) Any delinquency in the payment of a Common Charges or Special Assessments owed by the Owner of a Residential Unit that is subject to a Permitted Mortgage, where such delinquency has continued for a period of sixty (60) days, and (F) any lapse, cancellation or material modification of any insurance policy maintained by the Condominium Board.

7.8.2 Termination of the Condominium Regime.

7.8.2.1 Termination of the Condominium after a Significant Casualty or substantial Taking. Except as otherwise required by applicable Law, any election to terminate the Condominium after a Significant Casualty or a substantial Taking in condemnation of the Condominium shall not be effective without the Permitted Mortgage Approval and the requisite Unit Owner approvals, more particularly described in 6.3.4 of the By-Laws.

7.8.2.2 Termination of the Condominium that is not a result of a Significant Casualty or substantial Taking. Excepted as otherwise required by applicable Law, any election to terminate the Condominium that is not a result of a Significant Casualty or a substantial Taking in condemnation of the Condominium shall not be effective without the approval of Permitted Mortgagees holding Permitted Mortgages secured by Units as to which are appurtenant to at least 67% of the aggregate Common Interest of all Units secured by such Permitted Mortgages and the requisite Unit Owner approvals, more particularly described in Article 20 of the Declaration.

7.8.3 Restoration or Repair. Except as otherwise required by applicable Law, any Work performed to the Condominium after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the Declaration, these By-Laws and the original plans and specifications for the Condominium, unless Permitted Mortgagee Approval is obtained.

7.8.4 Amendments to the Declaration and By-Laws.

7.8.4.1 Except as otherwise provided in the Declaration and these By-Laws, and in addition to any other approvals required in the Declaration and these By-Laws, Permitted Mortgagee Approval shall be required for any amendments to the Declaration or these By-Laws, which materially amend the following provisions: voting, Special Assessments, Special Assessment lines or subordination of Special Assessment liens, reserves for Maintenance of the Common Elements, insurance or fidelity bonds, rights to use of the Common Elements, responsibility for Maintenance, expansion or contraction of the Condominium, withdrawal of

property from the Condominium regime, boundaries of any Unit, Common Interests, convertibility of Units in Common Elements, leasing of Units, the establishment of self-management and/or provisions herein which are for the express benefit of Permitted Mortgagees.

7.8.4.2 In the event that a Permitted Mortgagee fails to submit a response to any written proposal for an amendment to the Declaration or these By-Laws, within sixty (60) days after such Permitted Mortgagee receives notice, by certified or registered mail with a return receipt requested, of such proposed amendment, the Permitted Mortgagee shall be deemed to have approved the amendment.

7.8.5 Leasing Restrictions. As more particularly set forth in Article 8 of these By-Laws, a Unit Owner may lease its Unit for a term of not less than thirty (30) days; provided however, there shall be no prohibition against a lease having an initial term in excess of six (6) months.

7.8.6 Rights of Action. The Boards and any aggrieved Unit Owner shall be granted a right of action against other Unit Owners for failure to comply with (i) the provisions of the Declaration and these By-Laws and (ii) decisions of the Boards, which have been made in accordance with the provisions of the Declaration and these By-Laws. The Unit Owners shall also have a similar right of action against the Boards for their failure to comply with the above subparagraphs (i) and (ii).

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Selling, Leasing and Mortgaging of Units.

No Unit Owner, other than Declarant or a Commercial Unit Owner(s) may sell or lease such Unit Owner's Unit except by complying with the following provisions:

8.1.1 Any Unit Owner who receives a bona fide offer to (a) purchase such Unit Owner's Unit together with its appurtenant Common Interest, or (b) lease such Unit Owner's Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer," the party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which the Offeree Unit Owner intends to accept, shall give notice by certified or registered mail, return receipt requested, to the Condominium Board and Declarant ("Inside Offeror") of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or intended occupancy date in the event of a lease) and such other information as the Inside Offeror may reasonably require. The giving of such notice to the Inside Offeror, on behalf of all the Unit Owners represented by the Condominium Board, together with a copy of the fully executed contract of sale for such Unit, shall constitute an offer by the Offeree Unit Owner to sell such Unit Owner's Unit together with its appurtenant Common Interest or to lease such Unit Owner's Unit to the Inside Offeror, or its respective designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a

representation and warranty by the Offeree Unit Owner to the Inside Offeror acting on behalf of all Unit Owners that the Offeree Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Inside Offeror may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, either of the Inside Offeror may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), in the case of the Condominium Board, on behalf of all Unit Owners represented by the Condominium Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

8.1.2 In the event an Inside Offeror shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Inside Offeror in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by the Inside Offeror of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Condominium Board elects to accept such offer. Notwithstanding the foregoing, in the event that the closing date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than 45 days after the giving of notice by an Inside Offer's election to accept the aforesaid offer, the Inside Offeror shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a downpayment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Inside Offeror referred to in 8.1.1 as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Inside Offeror 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 Inside Offeror, or to its designee, corporate or otherwise, on behalf 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, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Inside Offeror, or its designee, corporate or otherwise, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Inside Offeror, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Inside Offeror, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in such Outside Offer, which rental term shall in no event be for a term of less than thirty (30) days; provided however, there shall be no prohibition against a lease having an initial term in excess of six (6) months.

8.1.3 In the event an Inside Offeror or its designee shall fail to accept such offer within 20 days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional 60 days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such 60-day period but such sale or lease, as the case may be, shall not be consummated within an additional 60 days following the expiration of such 60-day period, then, should such Offeree Unit Owner thereafter elect to sell such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, an Inside Offeror, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the 60 day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent with these By-Laws and shall provide that it may not be materially modified, amended or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign such Unit Owner's interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board and that the Condominium Board, if permitted by applicable Law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339 z of the Real Property Law of the State of New York.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Condominium Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Condominium Board which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Condominium Board. Any lease executed by the Condominium Board as tenant shall provide that the Condominium Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units, or Units rented to or by Declarant, or its designee, shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units without having to first offer the same for sale or lease to the Condominium Board or pay any fees or costs to the Condominium Board.

8.2 **Consent of Residential Unit Owners to Purchase or Lease of Residential Units by Residential Board.**

The Condominium Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a majority in Common Interest of Unit Owners and subject to the right of the Declarant to veto such purchase or lease in accordance with these By-Laws. However, the Condominium Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 **Sale to Government.**

The Condominium Board has the right, but not the obligation to require that before any Unit is conveyed to a government or governmental mission, or to a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable Laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America or elsewhere, may occur or be valid or effective, the Condominium Board may require that certain additional conditions be satisfied. Specifically, the Condominium Board may require that the potential grantee enter into an agreement with the Condominium Board, on terms acceptable to the Condominium Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably waives, to the full extent permitted by Law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee, and with respect to any and all other intended occupants of the Unit, any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise, (and diplomatic and consular immunity, if applicable) from any legal or equitable proceedings in the United States of America or elsewhere, brought by the Condominium Board or any other party claiming with respect to the Unit (including without limitation, immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of that party's property from attachment prior to entry of judgment and from attachment in aid of execution, and from execution itself, upon a judgment), (iii) agrees that any legal action or proceeding with respect to the Unit may be brought in the courts of the State of New York, and in the City of New York, or in the United States District Court for the Southern District of New York, as the Condominium Board shall elect, and (iii) permits execution and enforcement of any judgment obtained by the Condominium Board. The foregoing provisions do not apply to sales of Unsold Units. In addition, all purchasers of a Unit in the Building who are a government or governmental mission, or a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable Laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America (individually, a "Government Entity" and collectively, the "Government Entities") may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under this Declaration and the By-Laws for the payment of Common Charges and/or assessments and otherwise (collectively, the

"Security"). In the event of any default in the payment of Common Charges and/or assessments by any Governmental Entity (after notice and expiration of the applicable cure period as provided in the By-Laws, if any) with respect to the payment of Common Charges and/or assessments which are the obligation of the Governmental Entity as a Unit Owner to observe, perform or keep under the terms of the Declaration and By-Laws, the Condominium Board may enforce the provisions of Section 6.6 of these By-Laws and use, apply or retain the whole or any part of the Security being held by the Condominium Board to the extent required for the payment of any Common Charges, assessments or any other payments as to which such Governmental Entity shall then be in default (after notice and expiration of the applicable cure period, if any) or for any monies which the Condominium Board may expend or may be required to expend by reason of the Governmental Entity's default (after notice and expiration of the applicable cure period, if any). If the whole or any part thereof shall be so used, applied or retained by the Condominium Board as aforesaid, then such Governmental Entity shall, upon written demand from the Condominium Board, immediately deposit with the Condominium Board an amount in cash equal to the amount so used, applied or retained, so that the Condominium Board shall have the entire Security on hand at all times during the Governmental Entity's ownership of a Unit in the Building. The failure by the Unit Owner after due demand to deposit and maintain the full amount of the security, shall constitute a separate default under these By-Laws, which shall entitle the Condominium Board to all of the rights and remedies available hereunder. In the event that a Governmental Entity shall fully and faithfully comply with all of the terms, provisions, covenants, agreements and conditions of the By-Laws, the Security shall be returned to such Governmental Entity within thirty (30) days after the transfer or sale of such Governmental Entity's Unit to a non-Governmental Entity.

8.4 **No Severance of Ownership.**

No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to such Unit Owner's Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall have been specifically excluded or have not been expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.4 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest

8.5 **Release by Residential Board of Right of First Refusal.**

The right of first refusal contained in Section 8.1 hereof may be released or waived by the Condominium Board only in the manner provided in this Section 8.5. In the event the Condominium Board shall release or waive its right of first refusal as to any Unit, such Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of Subsections 8.1.1 and 8.1.2 hereof, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3 hereof.

8.6 Certificate of Termination of Right of First Refusal.

A certificate executed by an officer of the Condominium Board stating that the provisions of Subsection 8.1.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Condominium Board, and that as a result thereof the rights of the Condominium Board thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3), shall be conclusive upon the Condominium Board and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Condominium Board shall furnish such certificate upon request to any Unit Owner with respect to whom the provisions of Subsection 8.1.1 have, in fact, terminated.

8.7 Financing of Purchase of Residential Units by Residential Board.

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

8.8 Exceptions.

The provisions of Section 8.1 hereof shall not apply with respect to any lease, sale or conveyance of any Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to such Unit Owner's spouse, adult children or grandchildren, parents, grandparents, adult siblings, domestic partners, or to any one or more of them or to any Affiliate (as defined in Exhibit C to the Declaration) of the Unit Owner thereof, (b) Declarant (c) the Condominium Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or such Unit Owner's nominee, who has acquired title to any Unit at any foreclosure sale of such Unit Owner's Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction or (f) a Permitted Mortgagee who acquires title to a Unit pursuant to the remedies contained in its Permitted Mortgage; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit subject to, the provisions of this Article 8.

8.9 Gifts and Devises, etc.

Any Unit Owner shall be free to convey or transfer such Unit Owner's Unit by gift, or may devise such Unit Owner's Unit by will or have such Unit Owner's Unit pass by intestacy, without being subject to the restrictions of Section 8.1 of these By-Laws; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit shall remain subject to, the provisions of this Article 8.9.

8.10 **Storage Bins.**

A Unit Owner may assign its Storage Bin License only to another Unit Owner. Upon conveyance of a Unit, the Condominium Board will enter into a new Storage Bin License with the transferee of such Unit, in such form then required by the Condominium Board. A Unit Owner may lease a Storage Bin, but only to another Unit Owner, the Condominium Board or Declarant, as the case may be and only under such terms as may be required by the Condominium Board. In no event may a Unit Owner retain use or rights to a Storage Bin after conveyance or transfer of such Unit Owner's Unit. In the event a Residential Unit Owner elects to terminate a Storage Bin License and does not transfer same to another Residential Unit Owner, the rights to the Storage Bin in question will devolve to the Condominium Board which shall have the right to issue a new Storage Bin License to another Residential Unit Owner in its sole discretion.

8.11 **Unauthorized Sales or Leases of Residential Units.**

Any purported sale or lease of a Unit consummated in violation of Sections 8.1, 8.3, 8.4 above or Section 8.18 below shall be voidable at the election of the Condominium Board and if the Condominium Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Condominium Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings and such expenses shall be a lien on such Unit until said expenses are paid and/or satisfied.

8.12 **Charges Imposed on Sale or Lease of Residential Units.**

If permitted by Law, the Condominium Board shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Condominium Board, in connection with the sale or lease. Additionally, the Condominium Board may, by resolution adopt a "flip" tax in connection with such sale in order to create a reserve fund which will provide reserves for the Condominium to use in the future for capital improvements, emergency repairs and working capital. If such charges are adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charges shall not apply to the lease of a Unit to Declarant to the sale or lease of Unsold Units by Declarant or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units.

8.13 **Power of Attorney.**

At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the City Register's Office, the Power of Attorney required by Article 16 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.14 **Notices Concerning Residential Unit Occupancy.**

Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.15 **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common.**

In the event that any Unit shall be acquired by the Condominium Board or its respective designees, corporate or otherwise, on behalf of all 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 as herein provided.

8.16 **Payment of Assessments.**

No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease such Unit Owner's Unit unless and until the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges theretofore assessed by said Condominium Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages.

8.17 **Intentionally Omitted.**

8.18 **Lease or Purchase of Residential Unit or Other Apartment for Superintendent's/Resident Manager Residence**

The Residential Board or the Condominium Board shall have the right to lease or purchase and finance the purchase of a Residential Unit or other apartment for the resident manager's unit (whether or not in the Building) and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease, purchase or financing without the approval of a Majority of Unit Owners.

8.19 **Assignment or Lease of a Studio Unit**

A Studio Unit may not be leased or assigned by its Owner except to another person who shall either be an existing Owner of a Non-Studio Residential Unit or a person acquiring or leasing a Non-Studio Residential Unit simultaneously with the Studio Unit in question. Accordingly, if the Owner of a Studio Unit submits an application to the Residential Board pursuant to Section 8.1 hereof for a waiver of the right of first refusal in connection with the lease or assignment of such Studio Unit to a lessee or purchaser who is not then an existing lessee or Owner of a Non-Studio Residential Unit in the Building, such application shall be deemed incomplete unless accompanied by a fully executed lease or contract of sale for the Non-Studio Residential Unit owned by such applicant whereby (x) the purchaser or lessee is the purchaser or lessee of the Studio Unit, and (y) such lease or contract shall have a commencement

date, or closing date, as the case may be, which shall be simultaneous with the lease commencement, or closing, as the case may be, of the Studio Unit in question.

If the Owner of a Non-Studio Residential Unit who also owns a Studio Unit in the Building submits an application to the Residential Board pursuant to Section 8.1 hereof for a waiver of the right of first refusal in connection with the lease or assignment of such Non-Studio Residential Unit, such application shall be deemed incomplete unless accompanied by a fully executed lease or contract of sale for the Studio Unit owned by such applicant whereby (x) the purchaser or lessee is either (i) the purchaser or lessee of the Non-Studio Residential Unit in question or (ii) is an existing Owner of a Non-Studio Residential Unit in the Building, and (y) such lease or contract for the Studio Unit shall have a commencement date, or closing date, as the case may be, which shall be simultaneous with the lease commencement, or closing, as the case may be, of the Non-Studio Residential Unit in question.

Any lease or assignment in contravention of the foregoing shall be voidable by the Residential Board, in its sole discretion.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the General or Limited Common Elements, each Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the General or Limited Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by such Board. The award made for any such taking shall be payable to the Board responsible for the repair and restoration thereof, as aforesaid; provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be (a) borne and shared by all Unit Owners with respect to any taking of the General Common Elements pro rata, as follows: first, to the Residential Unit Owners and the Commercial Unit Owners in accordance with their respective Common Interests; thereafter, each Board shall allocate such deficit or surplus, as the case may be, pro rata, to the Residential Unit Owners and to the Commercial Unit Owners, respectively, in accordance with their respective Common Interests; (b) borne and shared by all Residential Unit Owners with respect to any taking of the Residential Common Elements pro rata in accordance with their Common Interests; and (c) borne and shared by all Residential Unit Owners having exclusive access to the Residential Limited Common Elements pro rata in accordance with their respective interest in such Residential Limited Common Interests; (d) borne and shared by all Commercial Unit Owners with respect to any taking of the Commercial Common Elements pro rata in accordance with their Common Interests, and (e) borne and shared by all Commercial Unit Owners having exclusive access to the Commercial Common Elements with respect to any taking of the Commercial Limited Common Elements pro rata in accordance with respective interest in such

Commercial Limited Common Interests. Notwithstanding any provisions contained herein to the contrary, in the event that (1) seventy-five percent (75%) of all Residential Unit Owners and/or seventy-five percent (75%) of all Commercial Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of their respective Limited Common Elements, or (2) seventy-five percent (75%) of all Unit Owners do not duly and promptly resolve to proceed with such repair and restoration of the General Common Elements, then such repairs or restorations of the Limited Common Elements and/or General Common Elements shall not be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners pro rata in the same manner as is set forth in (a), (b) and (c) above, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9 the words "promptly resolve" shall mean not more than sixty (60) days from the date of such taking. Any dispute between any Boards under this Article 9 shall be settled by Arbitration.

ARTICLE 10

RECORDS AND AUDITS

10.1 Records

Each Board or the managing agent for that Board, if any, shall keep detailed records of the actions of such Board, minutes of the meetings of such Board, minutes of the meetings of the Unit Owners for whom such Board serves and financial records and books of account with respect to the activities of such Board, including a listing of all receipts and expenditures. In addition, the Residential Board shall keep a separate account for each Residential Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Residential Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits

Within four (4) months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by (a) the Residential Board to all Residential Unit Owners, (b) the Commercial Board to all Commercial Unit Owners, and (c) the Condominium Board to the Residential Board and the Commercial Board, and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by (1) the Residential Board, shall be paid by the Residential Unit Owners as a Residential Common Expense, (2) the Commercial Board, shall be paid by the Commercial Unit Owners as a Commercial Common Expense, and (3) the Condominium Board shall be paid by the Residential Board and the Commercial Board as a General Common Expense.

10.3 Availability of Documents

Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized

agents during reasonable business hours, except that Unit Owners and their authorized agents may not be permitted to inspect same in excess on one (1) time per month.

ARTICLE 11

ARBITRATION

11.1 General Procedure

Any arbitration provided for in these By-Laws shall be conducted in accordance with the provisions of this Article 11 (an "Arbitration"). Each Arbitration shall be conducted before one (1) arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York having jurisdiction over the matter. The decision of the arbitrator so chosen shall be given within ten (10) days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any Arbitration under this Article 11 shall be a lawyer or real estate owner, developer, or manager familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen (15) years.

11.2 Costs and Expenses

The fees, costs and expenses of the arbitrator will be borne by the losing party in the Arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants unless otherwise set by the arbitrator. Each disputant will also bear the fees and expenses of such Unit Owner's counsel and expert witnesses. All costs and expenses paid or incurred by the Condominium Board in connection with any Arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute General Common Expenses.

11.3 Agreement by Parties

The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 Waiver

No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 Captions

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 Certain References

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4 Severability

Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Insurance Trustee

The Insurance Trustee shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law

of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 **Successors and Assigns**

Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all then Unsold Residential Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Commercial Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Commercial Unit Owners. Subject to the foregoing, Declarant, its designee, and/or the Commercial Unit Owners, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 **Covenant of Further Assurances**

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of any Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board representing such Unit Owners, stating the reasons why such Unit Owner or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board which represents such Unit Owner, or other party is hereby authorized, as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

12.7.3 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board representing such Unit Owners stating the reasons why such Unit Owner, Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit

Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 13

AMENDMENT TO BY-LAWS

13.1 Amendments by Unit Owners

Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Residential Units, or the Commercial Units or any Commercial Unit Owner, (a) any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 67% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these By-Laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected, (b) any provision of these By-Laws benefiting, protecting or otherwise affecting only the Residential Section or the Residential Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 67% in number and in Common Interest of all Residential Unit Owners taken in accordance with the provisions of these By-Laws and (c) any provision of these By-Laws benefiting, protecting or otherwise affecting only the Commercial Section or the Commercial Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 67% in number and in Common Interest of all Commercial Unit Owners taken in accordance with the provisions of these By-Laws. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, any Unsold Residential Units, the Commercial Section or any Commercial Unit Owner, any such amendment, modification, addition or deletion shall be executed by (1) the Residential Board, as attorney-in-fact for the Residential Unit Owners, coupled with an interest, which Residential Board is hereby authorized by such Residential Unit Owners so to act as their attorney-in-fact or (2) the Commercial Board, as attorney-in-fact for the Commercial Unit Owners, coupled with an interest, which Commercial Board is hereby authorized by such Commercial Unit Owners to act as their attorney-in-fact or (3) the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee, any Unsold Residential Units, the Commercial Section or the Commercial Unit Owners, (i) no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Representatives, if any, (ii) no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives, if any, and (iii) the provisions of this Section 13.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Residential Mortgage Representatives, as the case may be), eighty

percent (80%) in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

13.2 **Amendments Affecting Declarant or its Designee or the Commercial Unit Owner**

Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of the affected Commercial Unit Owner(s) with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration or the Rules and Regulations modifying the permitted uses of any Commercial Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Commercial Unit Owner, (b) without the prior written consent of Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be, or (c) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Residential Unit or Commercial Unit, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Residential Unit or Commercial Unit, or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Residential Unit or Commercial Unit. Declarant and the Commercial Unit Owners shall have the right to amend the By-Laws, without the consent of any Board or any other Unit Owner, to effectuate the rights otherwise granted to Declarant and the Commercial Unit Owners under the terms of the Declaration and these By-Laws.

13.3 **Amendments Affecting Permitted Mortgagees**

Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7 or 6.1, 6.2, 6.4.2, 6.4.3, 8.7(d) or (e), or 8.10 shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

13.4 **Deemed Approval Provision.** Notwithstanding anything to the contrary set forth herein, if the consent of any Residential Unit Owner is requested for any action to be taken under the terms of the Declaration or these By-Laws, including without limitation, any proposed amendment or modification to the Declaration or these By-Laws (a "Consent Request"), and provided that such Consent Request contains a copy of the proposed amendment or modification, if any, if a Residential Unit Owner fails to either consent or refuse consent in writing (within ten (10) business days after delivery of such notice by the sending party to the Residential Unit Owner), then such Residential Unit Owner shall be deemed to have consented to the Consent Request.

ARTICLE 14

AMENDMENTS CONCERNING COMMERCIAL SECTION

Amendments, modifications, additions or deletions of or to the Declaration, these By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Section or the subdivision of any Commercial Unit into separate condominium units and/or the offering for sale or lease of all or any portion of the Commercial Units and it is contemplated that in connection therewith the Commercial Board will cause the Declaration, these By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Section and Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Residential Section, or any Residential Unit Owners, the Commercial Board shall be the attorney-in-fact for the Residential Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion.

SCHEDULE A

RULES AND REGULATIONS OF THE RESIDENTIAL SECTION

1. The entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Residential Section shall not be obstructed or used for any other purpose than ingress to and egress from the Residential Units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Residential Section, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Residential Section.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, stairways or fire towers of the Residential Section.

4. No public hall or public elevator vestibule of the Residential Section shall be decorated or furnished by any Residential Unit Owner in any manner.

5. Each Residential Unit Owner shall keep such Unit Owner's Unit and any Limited Common Elements appurtenant thereto (including the surface of any Terrace appurtenant to a Residential Unit) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. The type, size and quantity of plantings and other installations (including whether to allow an enclosure and if so, to what extent) to be placed on Terraces and the rights of Unit Owners to paint and decorate Terraces shall be subject to the prior written approval of the Residential Board. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's Terrace shall be within the sole but reasonable discretion of the Residential Board.

6. No window guards or window decorations shall be used in or about any Residential Unit, unless otherwise required by Law, except such as shall have been approved in writing by the Residential Board or the managing agent of the Residential Section, which approval shall not be unreasonably withheld or delayed.

7. No radio, television aerial, satellite, disk or similar devices shall be attached to or hung from the exterior of the Residential Section and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Residential Section except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Residential Board or the managing agent of the Residential Section, nor shall anything be projected from any door or window of the Residential Section without similar approval, except as may otherwise be provided by Law.

8. No heat, ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Residential Board, which approval may be granted or refused in the sole discretion of the Residential Board.

9. All radio, television or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Residential Unit Owner's Unit.

10. No velocipedes, bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Residential Board or the managing agent of the Residential Section for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Residential Section.

11. No Residential Unit Owner shall make or permit any disturbing noises or activity in the Residential Section, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Commercial Section. No Residential Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph, radio, television computer, stereo or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Residential Board. No construction or repair work or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.

12. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition), shall be permitted, kept or harbored in a Residential Unit without the same in each instance having been expressly permitted in writing by the Residential Board or the managing agent of the Residential Section and such consent, if given, shall be revocable by the Residential Board or such managing agent in their sole discretion, at any time. In no event shall any Unit Owner maintain more than two (2) pets in a Unit without the consent of the Residential Board nor shall any bird, reptile, or animal be permitted in any public elevator in the Residential Section, other than the elevators designated by the Residential Board or the managing agent of the Residential Section for that purpose, or in any of the public portions of the Residential Section, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Residential Section or on the sidewalk or street adjacent to the Building. Each Residential Unit Owner who keeps any type of pet in such Unit Owner's Residential Unit may be required to enter into an agreement with the Residential Board setting forth such other rules regarding pets as the Residential Board shall deem suitable and indemnifying and holding harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

13. Servants, messengers and tradespeople visiting or residing in the Residential Section may be required to use the elevators designated by the Residential Board or the managing agent of the Residential Section for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses in the employ of Residential

Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Residential Unit Owner may use any of the elevators freely, if authorized by such Unit Owner.

14. All service and delivery persons may be required to use the service entrance unless otherwise directed. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Residential Unit Owners. Deliveries, if made, will be made from the package room to individual Residential Units only by building personnel or as otherwise directed by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Residential Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Residential Units after such service or delivery persons have received approval for such delivery from the Residential Unit Owner.

15. Trunks and heavy baggage shall be taken in or out of the Residential Section by the elevators designated by the Residential Board or the managing agent of the Residential Section for that purpose, and through a designated entrance only.

16. No refuse from the Residential Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Residential Board or the managing agent of the Residential Section may direct.

17. Water-closets and other water apparatus in the Residential Section shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the Owner of such Unit.

18. No occupant of the Residential Section shall send any employee of the Residential Section or of the managing agent thereof out of the Building on any private business.

19. The agents of the Residential Board or the managing agent, and any contractor or worker authorized by the Residential Board or the managing agent of the Residential Section, may enter any room or Residential Unit at any reasonable hour of the day, on at least one day's prior written notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

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

21. The Residential Board or the managing agent of the Residential Section may retain a passkey to each Residential Unit. If any lock is altered or a new lock is installed, the Residential Board or the managing agent of the Residential Section shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to such Unit Owner's Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to such Board or such managing agent, then the Residential Board or such managing agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of such Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

22. No vehicle belonging to a Residential Unit Owner or to a member of the family or guest, tenant or employee of a Residential Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building.

23. Complaints regarding the services of the Residential Section shall be made in writing to the Residential Board or to the managing agent of the Residential Section.

24. Any consent or approval given under these Residential Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Residential Board, at any time by resolution of the Residential Board. Further, any such consent or approval may, in the discretion of the Residential Board, be conditional.

25. Residential Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; (f) refrain from depositing waste of an explosive nature therein; (g) observe all Laws regarding the recycling of refuse then imposed by governmental agencies having jurisdiction thereover and (h) observe any additional recycling rules established by the Condominium Board or the Residential Board.

26. Except as permitted under the Declaration and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

27. Residential Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units or any public portions of the Building.

28. No Residential Unit Owner or any of such Unit Owner's agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

29. If any key or keys are entrusted by a Residential Unit Owner or by any member of such Unit Owner's family or by such Unit Owner's agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Residential Board or the managing agent of the Residential Section, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Residential Board nor the managing agent of the Residential Section shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

30. Nothing shall be done or kept in any Residential Unit or in the General or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Residential Unit Owner shall permit anything to be done or kept in such Unit Owner's Unit or in the General or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any Law. No waste shall be committed in the General or Limited Common Elements.

31. The Boards shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

32. No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the prior consent of the Residential Board or the managing agent of the Residential Section.

33. In the event that any Residential Unit is used for home occupation purposes which are permitted by Law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

34. Unless expressly authorized by the Residential Board in each case, at least 80% of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

35. There will be no barbecuing in the Residential Units in their Limited Common Elements (including Terraces), or the General Common Elements, except for those areas (if any) specifically designated for barbecuing by the Residential Board.

36. The Residential Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Residential Section when, in the reasonable judgment of the Residential Board, the Residential Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Residential Section, or the preservation of good order therein, or the operation or Maintenance of the Residential Section, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Residential Section. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Residential Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Residential Unit Owner or other occupant.

37. No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terraces, other than furniture of the kind usually maintained in outdoor area.

EXHIBIT "10"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

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

Re: Condominium Offering Plan
200 East 79th Street
New York, New York

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibilities for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

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

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

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

(a) knew the truth;

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

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

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

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal law.

Sworn to before me this 19th

day of July, 2012

Notary Public

MARK D DAHN
Notary Public of New York
No. 02DA6047945
Qualified in New York County
Commission Expires 12/17/14

Sworn to before me this 19th

day of July, 2012

Notary Public

MARK D DAHN
Notary Public of New York
No. 02DA6047945
Qualified in New York County
Commission Expires 12/17/14

Sworn to before me this 19th

day of July, 2012

Notary Public

MARK D DAHN
Notary Public of New York
No. 02DA6047945
Qualified in New York County
Commission Expires 12/17/14

NY 736404829v1

SPONSOR:

200 East 79th Street LLC

By: _____
Name: Leonard Wilf
Title: Managing Member

SPONSOR'S PRINCIPALS:

_____
Leonard Wilf

_____
Zygmunt Wilf

Sworn to before me this 19th

day of July, 2012

Notary Public

MARK D DAHN
Notary Public of New York
No. 02DA6047945
Qualified in New York County
Commission Expires 12/19/14

Mark Wilf

Sworn to before me this 19th

day of July, 2012

Notary Public

Orin Wilf

MARK D DAHN
Notary Public of New York
No. 02DA6047945
Qualified in New York County
Commission Expires 12/19/14

EXHIBIT "11"

CERTIFICATION OF SPONSOR'S ARCHITECT

CERTIFICATION OF SPONSOR'S ARCHITECT / ENGINEER PURSUANT TO PART 20 OF THE REGULATIONS ISSUED UNDER GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
23rd Floor
New York, New York 10271
Attention: Real Estate Finance Bureau

Re: Condominium Offering Plan
200 East 79th Street, New York, New York

Gentlemen:

200 East 79th Street LLC, which is the sponsor ("Sponsor") of the offering plan to convert the captioned property to condominium ownership, retained our firm to prepare a report describing the construction and/or renovation of the property (the "Report"). We examined the building plans and specifications that were prepared by us dated October 7, 2011 and prepared the Report dated July 15, 2012, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

We are a registered architect in the State in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the 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 of the entire property as it will exist upon completion of construction, provided that 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 as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

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

(v) does not contain any fraud, deception, concealment, or 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 and have no beneficial interest in 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.

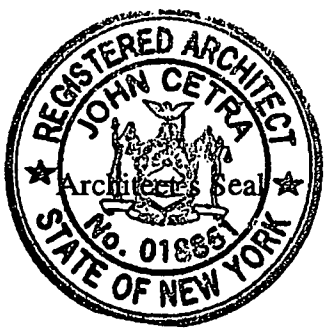
CETRA/CRI ARCHITECTURE PLLC

By: _____
Name: John A. Cetra
Title: President

Sworn to before me this
15th day of July, 2012

Lorraine E. McKenna
Notary Public

LORRAINE E. MCKENNA
NOTARY PUBLIC, STATE OF NEW YORK
No. 01MC6210979
QUALIFIED IN QUEENS COUNTY
COMMISSION EXPIRES SEPTEMBER 8, 2013



Architect's Seal

EXHIBIT "12"

CERTIFICATION OF SPONSOR'S EXPERT
CONCERNING ADEQUACY OF BUDGET

Rose Associates, Inc.

200 Madison Avenue
New York, NY 10016
rosenyc.com

July 26, 2012

PART 20: CERTIFICATION BY EXPERT
AS TO ADEQUACY OF CONDOMINIUM BUDGET

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

Re: Condominium Offering Plan
200 Easr 79th Street Condominium
200 East 79th Street
New York, New York 10075

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedules B containing projections of income and expenses for the first year of condominium operation. Our relevant experience includes the development and sale of cooperative and condominium apartments for the past twenty-five years and management of cooperative, condominium and residential rental apartment buildings over the past forty years. The firm is currently engaged in the management of over 45 condominium and cooperative properties in New York.

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

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 also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedule 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 upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

By: _____
Mitchell S. Gelberg
Managing Director

Sworn to before me this
26th day of July, 2012

_____
Notary Public

JEAN CARBONE
Notary Public - State of New York
No. 01CA6226741
Qualified in Queens County
My Commission Expires August 16, 2014

EXHIBIT "13"

CERTIFICATION OF SPONSOR'S EXPERT
CONCERNING ADEQUACY OF COMMON CHARGES
PAYABLE BY COMMERCIAL UNIT OWNER

Rose Associates, Inc.

200 Madison Avenue
New York, NY 10016
rosenyc.com

July 26, 2012

PART 20: CERTIFICATION BY EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNER

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

Re: Condominium Offering Plan
200 East 79th Street Condominium
200 East 79th Street
New York, New York 10075

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 owners of the commercial units. Our relevant experience includes the development and sale of cooperative and condominium apartments for the past twenty years and management of cooperative, condominium and residential rental apartment buildings over the past forty years. The firm is currently engaged in the management of over 45 condominium and cooperative properties in New York.

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

We have reviewed Schedule B as it impacts upon the commercial unit and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for the common charges payable by the owner of the commercial unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial unit:

(i) sets forth in detail the projected common charges for the commercial units for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the 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:_____
Mitchell S. Gelberg
Managing Director

Sworn to before me this
26th day of July, 2012

_____
Notary Public

JEAN CARBONE
Notary Public - State of New York
No. 01CA6226741
Qualified in Queens County
My Commission Expires August 16, 2014

EXHIBIT "14"

ESCROW AGREEMENT FOR OFFERING PLAN

ESCROW AGREEMENT FOR OFFERING PLAN

AGREEMENT made this ____ day of _____ 20__, between 200 East 79th Street LLC ("SPONSOR") as sponsor of the Offering Plan (defined below) and Stroock & Stroock & Lavan LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the sponsor of an offering plan for premises known as 200 East 79th Street Condominium, New York, New York (the "Offering Plan"); and

WHEREAS, Stroock & Stroock & Lavan LLP is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

A. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1. ESCROW AGENT has established a master escrow account for the purpose of holding deposits, Deposits, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at JPMorgan Chase Bank at its branch located at One New York Plaza, New York, New York 10081 entitled Stroock & Stroock & Lavan LLP, Escrow Account No. [redacted] (the "Master Escrow Account").

2. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. At such time as ESCROW AGENT receives two (2) completed and signed original W-9 Forms (Request for Taxpayer Identification Number) or W-8BEN Forms (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, from a Purchaser, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow savings account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

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

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

5. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Contract of Sale (defined below), or (ii) Purchaser is entitled to a return

of the Deposit. All interest will be credited to SPONSOR only in the event Purchaser defaults.

B. DEPOSITS INTO THE ESCROW ACCOUNT.

1. All funds received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Stroock & Stroock & Lavan LLP, as Escrow Agent." Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

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

C. RELEASE OF FUNDS.

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

2. ESCROW AGENT shall continue to hold the Deposit in escrow until otherwise directed in (a) a writing signed by both Sponsor and Purchaser or (b) a determination of the Department of Law or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Department of Law pertaining to release of escrowed funds.

3. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to: (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

4. In the event SPONSOR and a Purchaser close title under the Contract of Sale, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

5. Except as otherwise set forth above, if there is no written agreement between the parties to release the Deposit, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Deposit may be paid to SPONSOR unless the Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Department of Law's regulations and ESCROW AGENT has received notice from the Purchaser in accordance with such provisions.

D. RECORDKEEPING.

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

2. Upon the dissolution of ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

3. ESCROW AGENT shall make available to the Department of Law, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

E. GENERAL OBLIGATIONS OF ESCROW AGENT.

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

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

3. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Contract of Sale, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

4. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

5. ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

6. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

F. RESPONSIBILITIES OF SPONSOR.

1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a member of or employed by ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

2. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Department of Law's regulations.

3. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain two (2) completed and signed original W-9 Forms or W-8BEN Forms, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Contract of Sale.

G. TERMINATION OF AGREEMENT.

1. This Agreement shall remain in effect unless and until it is canceled by either

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation; or

(c) all shares or units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 (a) or (b) above, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all contracts or documents maintained by ESCROW AGENT relating to such funds to the new escrow agent.

H. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

I. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

J. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

K. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

L. INDEMNIFICATION.

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

M. ENTIRE AGREEMENT.

This Agreement, read together with GBL Section 352-e(2-b) and the Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT

STROOCK & STROOCK & LAVAN LLP

By: /s/
Name:
Title:

SPONSOR

200 East 79th Street LLC

By: /s/
Name:
Title:

EXHIBIT "15"

FORM W-9

Form **W-9**
(Rev. December 2011)
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/disregarded entity name, if different from above

Check appropriate box for federal tax classification:
☑ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶

☐ Other (see instructions) ▶

☐ Exempt payee

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 the "Name" line 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
[ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

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. citizen or other U.S. person (defined below).

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 ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

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.

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. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee 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 a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

Disregarded entity. Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

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/ disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/ disregarded entity 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.

The following payees are exempt from backup withholding:

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 following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over $600 required to be reported and direct sales over $5,000 [1]	Generally, exempt payees 1 through 7 [2]

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, 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-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, 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.ssa.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting 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. Entering "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 item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

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 disregarded entity owned by an individual	The owner [3]
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity [4]
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. 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
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

[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 "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

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.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: *spam@uce.gov* or contact them at *www.ftc.gov/idtheft* or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and 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. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

EXHIBIT "16"

FORM W-8BEN
CERTIFICATE OF FOREIGN STATUS OF BENEFICIAL OWNER FOR UNITED STATES TAX WITHHOLDING

Form **W-8BEN**
(Rev. February 2006)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for: **Instead, use Form:**

- A U.S. citizen or other U.S. person, including a resident alien individual W-9
- A person claiming that income is effectively connected with the conduct of a trade or business in the United States W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . W-8ECI or W-8EXP

Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

- A person acting as an intermediary W-8IMY

Note: *See instructions for additional exceptions.*

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust
☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization
☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of ..... within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article ..... of the treaty identified on line 9a above to claim a ..... % rate of withholding on (specify type of income): ..... .
Explain the reasons the beneficial owner meets the terms of the treaty article: .....
.....

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

1 I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,
2 The beneficial owner is not a U.S. person,
3 The income to which this form relates is (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income, **and**
4 For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ ....
Signature of beneficial owner (or individual authorized to sign for beneficial owner) | Date (MM-DD-YYYY) | Capacity in which acting

EXHIBIT "17"

APPLICATION TO THE DEPARTMENT OF LAW
FOR A DETERMINATION ON THE
DISPOSITION OF DEPOSITS

APPLICATION TO THE DEPARTMENT OF LAW FOR A DETERMINATION ON THE DISPOSITION OF DEPOSITS

(Send this application to the reviewing attorney assigned to the subject plan.)

Re: _____
Address of Building or Name of Project

File Number: _____

Application is made to the Department of Law to consider and determine the disposition of Deposits held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name of Applicant _____

2. Address of Applicant _____

3. Name, Address, and Telephone Number of Applicant's Attorney (if any) _____

4. This is an application for

return of Deposit.
forfeiture of Deposit.
other: _____

5. The project is
[ ] a conversion of occupied premises.
[ ] newly constructed or rehabilitated.
[ ] vacant (as is).

6. The project is structured as
[ ] a cooperative.
[ ] a condominium.
[ ] a homeowners association.
[ ] a time share.
[ ] other: _____

7. Name and Address of Sponsor: _____

8. Name and Address of Escrow Agent: _____

9. If Deposits are maintained in an escrow account:
   (a) Name of account _____
   (b) Name and address of bank _____
   (c) Account number (if known) _____
   (d) Initial interest rate (if known) _____

10. If Deposits have been secured by bonds:
   (a) Name and address of bond issuer or surety: _____
   (b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain:

11. If Deposits have been secured by a letter of credit:
   (a) Name and address of bank which issued the letter of credit:
   (b) Date of expiration of the letter of credit, if known:

12. Plan information:
   (a) Date of filing of plan: _____
   (b) Plan
   [ ] has not been declared effective.
   [ ] has been declared effective. Approximate date:
   (c) If effective, the plan
   [ ] has closed or the first unit has closed. Approximate date:
   [ ] has not closed.
   [ ] don't know.
   (d) Deposits are secured by
   [ ] escrow account.
   [ ] bonds.
   [ ] letter of credit.

13. Contract information:
    (a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)
    (b) Date on which subscription or Agreement was signed: _____
    (c) Date(s) of Deposit(s): _____
    (d) Total amount of Deposit(s): _____
    (e) Names and addresses of subscribers or purchasers affected by this application:

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Department of Law 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 "18"

RPL §339-kk

§ 3. The real property law is amended by adding a new §339-kk to read as follows:
§ 339-KK. RENTS. (A) FOR THE PURPOSES OF THIS SECTION, "NON-OCCUPYING OWNER" SHALL MEAN A UNIT OWNER IN A CONDOMINIUM ASSOCIATION WHO DOES NOT OCCUPY THE DWELLING UNIT.
(B) IF A NON-OCCUPYING OWNER RENTS ANY DWELLING UNIT TO A RENTAL TENANT AND THEN FAILS TO MAKE PAYMENTS DUE FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES FOR SUCH UNIT WITHIN SIXTY DAYS OF THE EXPIRATION OF ANY GRACE PERIOD AFTER THEY ARE DUE, UPON NOTICE IN ACCORDANCE WITH SUBDIVISION (C) OF THIS SECTION, ALL RENTAL PAYMENTS FROM THE TENANT SHALL BE DIRECTLY PAYABLE TO THE CONDOMINIUM ASSOCIATION.
(C) IF THE COMMON CHARGES, ASSESSMENTS OR LATE FEES DUE FOR ANY UNIT HAVE NOT BEEN PAID IN FULL, WITHIN SIXTY DAYS AFTER THE EXPIRATION OF ANY GRACE PERIOD OF THE EARLIEST DUE DATE, THE BOARD OF MANAGERS SHALL PROVIDE WRITTEN NOTICE TO THE TENANT AND THE NON-OCCUPYING OWNER PROVIDING THAT, COMMENCING IMMEDIATELY AND UNTIL SUCH TIME AS ALL PAYMENTS FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES ARE MADE CURRENT, ALL RENTAL PAYMENTS DUE SUBSEQUENT TO THE ISSUANCE OF SUCH NOTICE ARE TO BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION AT THE ADDRESS LISTED ON THE NOTICE. WHERE A MAJORITY OF THE BOARD OF MANAGERS HAS BEEN ELECTED BY AND FROM AMONG THE UNIT OWNERS WHO ARE IN OCCUPANCY, THE BOARD MAY ELECT NOT TO REQUIRE THAT RENTAL PAYMENTS BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION. AT SUCH TIME AS PAYMENTS FOR COMMON CHARGES, ASSESSMENTS AND LATE FEES FROM THE NON-OCCUPYING OWNER ARE ONE AGAIN CURRENT, NOTICE OF SUCH FACT SHALL BE GIVEN WITHIN THREE BUSINESS DAYS TO THE RENTAL TENANT AND NON-OCCUPYING OWNER. THEREAFTER ALL RENTAL PAYMENTS SHALL BE MADE PAYABLE TO THE NON-OCCUPYING OWNER OR A DESIGNATED AGENT. A NON-OCCUPYING OWNER WHO DISPUTES THE ASSOCIATION'S CLAIM TO RENTAL PAYMENTS PURSUANT TO THIS SECTION SHALL BE ENTITLED TO PRESENT FACTS SUPPORTING SUCH OWNER'S POSITION AT THE NEXT SCHEDULED MEETING OF THE BOARD OF MANAGERS, WHICH MUST BE HELD WITHIN THIRTY DAYS OF THE DATE THAT SUCH BOARD RECEIVES NOTICE THAT SUCH OWNER SEEKS TO DISPUTE SUCH CLAIM.
(D) NOTHING IN THIS SECTION SHALL LIMIT ANY RIGHTS OF UNIT OWNERS OR OF THE BOARD OF MANAGERS EXISTING UNDER ANY OTHER LAW OR AGREEMENT.
(E) PAYMENT BY A RENTAL TENANT TO THE CONDOMINIUM ASSOCIATION MADE IN CONNECTION WITH THIS SECTION SHALL RELIEVE THAT RENTAL TENANT FROM THE OBLIGATION TO PAY SUCH RENT TO THE NON-OCCUPYING OWNER AND SHALL BE AN ABSOLUTE DEFENSE IN ANY NON-PAYMENT PROCEEDING COMMENCED BY SUCH NON-OCCUPYING OWNER AGAINST SUCH TENANT FOR SUCH RENT.

§ 4. This act may be enforced by any party by means of a special proceeding

brought pursuant to article 4 of the civil practice law and rules.

§ 5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

CHAP. 422

The Legislature of the STATE OF NEW YORK SS:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO
TEMPORARY PRESIDENT OF THE SENATE

SHELDON SILVER
SPEAKER OF THE ASSEMBLY

EXHIBIT "19"

SPECIMEN TITLE POLICY

SPECIMEN

ALTA Owner's Policy (6-17-06)

POLICY OF TITLE INSURANCE ISSUED BY

stewart
title insurance company

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, STEWART TITLE INSURANCE COMPANY, a New York corporation, (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
   (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;
   (c) the subdivision of land; or
   (d) environmental protection

   If a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.

Countersigned by:

Authorized Signature

ROYAL ABSTRACT OF NEW YORK LLC
Company

New York, NY
City, State

STEWART TITLE INSURANCE COMPANY INCORPORATED 1887 NEW YORK

President

Secretary

Part 1 of Policy Serial No. O-8911-000572211

If you want information about coverage or need assistance to resolve complaints, please call our toll free number: 1-800-433-0014. If you make a claim under your policy, you must furnish written notice in accordance with Section 3 of the Conditions. Visit our Word-Wide Web site at http://www.StewartNewYork.com

COVERED RISKS (Continued)

9. Title being vested other than as stated in Schedule A or being defective
   (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
   (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
      (i) to be timely, or
      (ii) to impart notice of its existance to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrence on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
      (i) the occupancy, use, or enjoyment of the Land;
      (ii) the character, dimensions, or location of any improvement erected on the Land;
      (iii) the subdivision of land; or
      (iv) environmental protection;

   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer; or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

   The following terms when used in this policy mean:
   (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
   (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
   (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
   (d) "Insured": The Insured named in Schedule A.
      (i) The term "Insured" also includes
         (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
         (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
         (C) successors to an Insured by its conversion to another kind of Entity;
         (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
            (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
            (2) if the grantee wholly owns the named Insured,
            (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
            (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
      (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
   (e) "Insured Claimant": An Insured claiming loss or damage.
   (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
   (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
   (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
   (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
   (j) "Title": The estate or interest described in Schedule A.
   (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

Stewart Title Insurance Company

Title No: 901186

SCHEDULE A

POLICY NO.: [Specimen Policy]

AMOUNT: $ [Purchase price]

EFFECTIVE DATE: [Closing date]

1. Name of Insured: [Purchaser]

2. The estate or interest in the land which is covered by this Policy is:

Fee Simple

3. Title to the estate or interest in the land is vested in the insured.

Which acquired title by deed made by 200 East 79th Street LLC, dated [Closing date] and to be recorded in the Office of the City Register of New York County.

4. The land herein described is encumbered by the following mortgage or trust deed, and assignments:

Mortgage made in the principal amount of $[mortgage amount] by [Purchaser] to [Lender] dated [Closing date] and to be recorded in the Office of the City Register of New York County.

5. The land referred to in this Policy is described on the description sheet annexed.

Stewart Title Insurance Company

Title No: 901186

POLICY NO.: [Specimen Policy]

SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Rights of tenants or persons in possession.

2. Covenants, conditions, easements, leases, agreements of record, etc., more fully set forth in Schedule herein:-

   A. "Elevated Railroad Rights" as recited in a deed Emma F. Merritt and Sarah J. Merritt to Louis Feigenblatt dated 3/6/1906 and recorded 3/27/1906 in Section 5 Liber 124 page 439. **(see Exhibit A)**

   B. Water Main Declaration and Consent made by Aaron Schwartz dated 3/3/54 and recorded in Liber 5271 page 138. **(see Exhibit B)**

   C. **For Information Only**: Certification Pursuant to Zoning Lot made by Lawyers Title Insurance Corporation dated 8/7/91 and recorded 8/29/91 in Reel 1809 page 854. **(see Exhibit C)**

   D. **For Information Only**: Zoning Lot Description and Ownership Statement made by James Biber, R.A. dated 8/28/91 and recorded 8/29/91 in Reel 1809 page 861. **(see Exhibit D)**

   E. **For Information Only**: Certification Pursuant to Zoning Lot Subdivision made by Royal Abstract of New York LLC dated 6/27/08 and recorded 7/22/08 as CRFN 2008000290936. **(see Exhibit E)**

   F. Declaration of Zoning Lot Restrictions made between 1389 Third Avenue Associates, LLC, 1387 2 POP, LLC, 1383-1385 3 POP, LLC and Torrey Ranch, LLC and Verizon New York Inc. (f/k/a New York Telephone Company) dated 6/26/08 and recorded 7/22/08 as CRFN 2008000290937. **(see Exhibit F)**

   G. Waiver and Subordination Agreement made by Wells Fargo Bank, N.A. dated 6/26/08 and recorded 7/25/08 as CRFN 2008000296300. **(see Exhibit F-1)**

3. The policy will except the terms and conditions set forth in the Declaration of Condominium and By-Laws dated _____ and recorded _____ in the Office of the New York County Register as CRFN _____. Policy insures that a valid condominium has been created pursuant to Article 9B of the Real Property Law, as amended.

4. The policy will except any state of facts which an accurate survey and inspection of Unit would show, but policy insures that any encroachments by insured Unit upon adjoining Units or upon common elements may remain undisturbed.

continued.....

Stewart Title Insurance Company

Title No: 901186

POLICY NO.: [Specimen Policy]

SCHEDULE B
(continued)

4. Any state of facts which an accurate survey and inspection of Unit would show, but policy insures that any encroachments by insured Unit upon adjoining Units or upon common elements may remain undisturbed.

Stewart Title Insurance Company

Title No: 901186

POLICY NO.: [Specimen Policy]

DESCRIPTION SHEET

THE CONDOMINIUM UNIT (hereinafter referred to as the "Unit") in the building (hereinafter referred to as the "Building") known as The _____ Condominium and by the Street Number 1381-1389 3rd Avenue a/k/a 200-202 East 79th Street, County of New York, State of New York, said Unit being designated and described as Residential Unit No. ____ in a Declaration dated _____ made by 200 East 79th Street LLC, pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") establishing a Plan for condominium ownership of the Building and the Land (hereinafter referred to as the "land") upon which the building is situate (which land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which Declaration was recorded in the New York County Register's Office on _____ as CRFN _____, and by this reference made a part hereof (which Declaration and Amendments (if applicable) thereto are hereinafter collectively referred to as the "Declaration"). This Unit is also designated as Tax Lot ____ in Block 1433 of the County of New York on the Tax Map of the Real Property Assessment Department and on the Floor Plans of the Building, Certified by _____, Architects, on _____ and filed with the Real Property Assessment Department on _____ as Condominium Plan No. ____ and also filed in the New York County Register's Office on _____ as Condominium Map No. ____.

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration).

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit.

TOGETHER with and SUBJECT to the rights, obligations, easements, restrictions and other provisions set forth in the Declaration, Floor plans and the By-Laws of The _____ Condominium, as the same may be amended from time to time (herein after referred to as the "By-Laws"), all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

The land on which the building and unit is located is situated in the County of New York and State of New York and is more fully described in the Declaration of Condominium recorded in the New York County Register's Office on _____, as CRFN _____.

Stewart Title Insurance Company

Title No: 901186

POLICY NO.: [Specimen Policy]

EXHIBIT A

ALL THAT CERTAIN plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of East 79th Street with the easterly side of Third Avenue;

RUNNING THENCE easterly along the southerly side of East 79th Street a distance of 85 feet to a point;

THENCE southerly parallel with the easterly side of Third Avenue, a distance of 102 feet 2 inches to the center line of the block between East 78th and East 79th Streets;

THENCE westerly parallel with the southerly side of East 79th Street and along the center line of the block between East 78th and East 79th Streets, 85 feet to a point on the easterly side of Third Avenue;

THENCE northerly along the easterly side of Third Avenue a distance of 102 feet 2 inches to the corner formed by the intersection of the southerly side of East 79th Street with the easterly side of Third Avenue, the point and place of BEGINNING.

Together with the benefits and subject to burdens of a Zoning Lot Development and Easement Agreement made by and between Verizon New York Inc. and 1389 Third Avenue Associates, LLC, 1387 2 POP, LLC, 1383-1385 3 POP, LLC and Torrey Ranch, LLC dated as of 6/26/08 and recorded 7/22/08 as CRFN 2008000290938. Said easement area (Block 1433 Lot 40) is described as follows:

BEGINNING at a point on the southerly side of East 79th Street, distant 85 feet easterly from the corner formed by the intersection of the southerly side of East 79th Street with the easterly side of Third Avenue;

RUNNING THENCE southerly parallel with Third Avenue, 102 feet 2 inches to the center line of the block between East 78th Street and East 79th Street;

THENCE easterly parallel with East 79th Street, 140 feet;

THENCE northerly and parallel with Third Avenue, and part of the way through a party wall, 102 feet 2 inches to the southerly side of East 79th Street;

THENCE westerly along the southerly side of East 79th Street, 140 feet to the point or place of BEGINNING.

For Information Only: Said premises are known as Unit No. _____ in the _____ Condominium, 1381-1389 3rd Avenue a/k/a 200-202 East 79th Street, New York, New York and designated as Block 1433 Lot _____ as shown on the Tax Map of the City of New York, County of New York.

Stewart Title Insurance Company

Title No: 901186

POLICY NO.: [Specimen Policy]

CONDOMINIUM ENDORSEMENT

The company hereby insures against loss or damage by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the jurisdiction in which the unit and its common elements are located.

2. The failure of the documents required by said condominium statutes to comply with the requirements of said statutes to the extent that such failure affects the title to the unit and its common elements.

3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are contained in the condominium documents. Said restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.

4. The priority of any lien for charges and assessments provided for in the condominium statutes and condominium documents over the lien of any insured mortgage identified in Schedule A.

5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.

6. Any Obligation to remove any improvements which exist at date of policy because of any present encroachment or because of any future unintentional encroachment of the common elements upon any unit or of any unit upon the common elements or another unit.

7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at date of policy.

This endorsement is made a part of the policy and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and prior endorsements, if any, nor does it extend the effective date of the policy and prior endorsements or increase the face amount thereof.

Stewart Title Insurance Company

Title No: 901186

POLICY NO.: [Specimen Policy]

SURVEY READING

CONDITIONS (Continued)

2. **CONTINUATION OF INSURANCE**
The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. **NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT**
The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. **PROOF OF LOSS**
In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. **DEFENSE AND PROSECUTION OF ACTIONS**
   (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
   (b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
   (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. **DUTY OF INSURED CLAIMANT TO COOPERATE**
   (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
   (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as Confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. **OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY**
In case of a claim under this policy, the Company shall have the following additional options:
   (a) To Pay or Tender Payment of the Amount of Insurance. To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
   (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
      (i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
      (ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

   Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

CONDITIONS (Continued)

8. **DETERMINATION AND EXTENT OF LIABILITY**
This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.
(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
(i) the Amount of Insurance; or
(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
(i) the Amount of Insurance shall be increased by 10%, and
(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. **LIMITATION OF LIABILITY**
(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. **REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY**
All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. **LIABILITY NONCUMULATIVE**
The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. **PAYMENT OF LOSS**
When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. **RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT**
(a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies. If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
(b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. **ARBITRATION**
Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. **LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT**
(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
(b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. **SEVERABILITY**
In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. **CHOICE OF LAW; FORUM**
(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.
Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
(c) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. **NOTICES, WHERE SENT**
Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at Claims Department at 300 East 42nd St, 10th Floor, New York, NY 10017.

EXHIBIT "20"

INTENTIONALLY DELETED

EXHIBIT "21"

STORAGE BIN LICENSE

STORAGE BIN LICENSE

AGREEMENT MADE THIS _____ day of _____, 200_ (this "Agreement") by and between the Residential Board of 200 East 79th Street Condominium ("Licensor"), having an office at 13-15 West 54th Street, New York, New York 10019 and _____, having an address at 200 East 79th Street, New York, New York 10075 (the "Licensee");

WHEREAS, pursuant to that certain condominium declaration and by-laws for the condominium known as 200 East 79th Street Condominium (the "Condominium") dated _____, recorded on _____ in Reel __, Page ___ (collectively the "Declaration") for the property having the street address 200 East 79th Street, New York, New York 10075 (the "Property"), the Property was submitted to a condominium regime;

WHEREAS, in accordance with the terms of the Declaration, Licensor is responsible for the administration of the Residential Section of the Condominium, including, without limitation the "Storage Bins" located in the Building as such term in more particularly defined and described in the Declaration;

WHEREAS, Licensee, owns or simultaneously herewith, Licensee is acquiring a Residential Unit in the Condominium and;

WHEREAS, Licensee desires the right to the exclusive use of the Storage Bin __ (the "Bin") for so long as Licensee owns a Residential Unit in the Condominium.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereto agree as follows:

1. Subject to and in accordance with the terms and conditions of this Agreement, Licensor hereby grants to Licensee, its successors and assigns and Licensee hereby accepts from Licensor, a license (the "License") to use the Bin during the term hereof for storage of Licensee's personal property and the property of occupants of the Unit (the "Permitted Users") and for no other purpose. Licensee shall not store any (i) animals or food, (ii) inflammable, combustible, explosive or other dangerous items, (iii) items which have an objectionable odor or which may spoil or decay or (iv) valuable items. Licensee shall not (a) interfere with another tenant of Licensor, (b) store any property in the Building outside of the Bin, (c) allow any other person to use the Bin except in accordance with the terms hereof, or (d) deface, damage or alter the Bin, the Building or Licensor's equipment. Licensee shall keep the Bin locked and shall provide Licensor with a duplicate key. Licensee acknowledges that it is Licensee's responsibility to safeguard the keys and Licensee is fully responsible for whoever has possession of the keys.

2. The term of this License shall commence on date first set forth above, and shall continue on a month to month basis thereafter until Licensee gives written notice of termination, or unless otherwise terminated, as provided herein. This License shall automatically terminate in the event that Licensee no longer owns a Residential Unit in the Condominium. In the event this Agreement is terminated, Licensee shall vacate and surrender possession of the Bin, broom clean, in the condition as existed prior to the commencement of this Agreement. Any property

not removed from the Bin at the expiration or other termination of this Agreement shall be considered abandoned and may, at Licensor's option, be retained as Licensor's property or disposed of at Licensee's cost and without any liability to Licensee. Licensee's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement.

3. Licensee shall indemnify and save harmless Licensor and Licensor's agents against and from any and all liability, loss, damage and expense (including, without limitation, attorney fees and expenses) arising from injury to person or property occasioned by the failure of the Licensee to comply with any provision in this Agreement, or due wholly or in part to any act, default or omission of the Licensee or of any person using the Bin, or by the Licensor, its agents, servants or contractors when acting as agent for the Licensee as herein provided.

4. Neither licensor nor its agents or employees shall be liable for any theft or damage to any property stored in the Bin unless due to the gross negligence of the Licensor. Licensee understands that Licensor intends to leave the storage area unattended and that Licensee stores property in the Bin at Licensee's own risk, including, without limitation, the possibility that the Bin may be damp or have water infiltration. Licensor undertakes only to act as a licensor, and under no circumstances shall the licensor or its agents be deemed to act as Licensee's bailee.

5. Licensee represents that it has made a thorough inspection of the Bin and agrees to take same in its condition "as is" as of the commencement of this Agreement. Licensee shall, throughout the term of this Agreement, take good care of the Bin. Licensee shall repair all damage to the Building and the Bin by the moving of its property, furniture or equipment.

6. Licensor shall not provide any services to the Bin, except lighting on the floor in which the Bin is located and elevator service. Licensee shall keep the Bin clean. Licensee shall have access to the Bin only from 9:00 A.M. to 10:00 P.M., seven days a week.

7. This Agreement shall inure to the benefit of the Licensor's successors and assigns and may not be modified except by a writing signed by the party to be charged.

8. If Licensee shall default in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to Licensor, Licensor may (i) deny access to the Bin until Licensee cures such default, or (ii) terminate this Agreement by the giving of written notice to Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

9. Licensee shall, at all times, use the Bin only in a manner which is in full compliance with all present and future laws, orders, rules and regulations of all state, federal, municipal and local governments, departments, commissions and boards (including the New York Board of Fire Underwriters or any similar body) asserting jurisdiction therefor, or any direction of any public officer pursuant to law, including, without limitation, the police and fire departments of the City of New York, which may require the removal or destruction of items stored in the Bin. Licensee, its servants, employees, agents, visitors and licensees shall observe

faithfully, and comply strictly with the Declaration and any and all rules and regulations for the Building as Licensor or its agents may from time to time adopt.

10. Licensor or its agents shall have the right (but not the obligation) to open the Bin in an Emergency at any time, and, at other reasonable times, to inspect and examine the same and to make such repairs, replacements and improvements as Licensor shall deem necessary or desirable to the Bin or any portion of the Building, all without any liability to Licensee whatsoever as a result thereof.

11. The failure of Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this Agreement or of any of the rules or regulations adopted by Licensor, shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original violation.

12. Notwithstanding anything to the contrary set forth herein, in the event Licensee desires to assign this Agreement, such assignment shall comply with the then requirements of Licensor to effectuate such assignment, including, without limitation, the obligation to enter into a new license agreement with the assignee. Licensee may permit use of the Bin by others than the Permitted Users only with the consent of Licensor.

13. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Declaration.

14. This Agreement shall inure to the benefit of and be binding upon the heirs, executors, successors and assigns of the Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

Residential Board of Managers of
200 East 79th Street Condominium

By:

LICENSEE:

EXHIBIT "22"

ALTERATION AGREEMENT

ALTERATION AGREEMENT

THIS AGREEMENT made as of this _____ day of _____, _____ by and between The Board of Managers of 200 East 79th Street Condominium (the "Board") having an address of 200 East 79th Street, New York, New York 10075, 200 East 79th Street LLC ("Sponsor"), having an address 13-15 West 54th Street, New York, New York 10019 and _____ (the "Unit Owner") having an address of 200 East 79th Street, New York, New York, 10075 (the "Property").

WITNESSETH:

WHEREAS, pursuant to a declaration dated _____ (the "Declaration"), Sponsor submitted the Property to a condominium regime known as 200 East 79th Street Condominium (the "Condominium").

WHEREAS, pursuant to the Declaration and the by-laws of the Condominium (the "By-Laws"), Unit Owner has requested permission to install equipment and/or make alterations in Unit ____ (the "Unit") the building situated on the Property (the "Building"); and

WHEREAS, at least until such time as Sponsor obtains the permanent certificate of occupancy for the Building, Sponsor's employees, agents, contractors, subcontractors and suppliers or any of their employees (collectively "Sponsor's Contractors") will be performing work in or delivering material to the Building.

WHEREAS, the Declaration and By-Laws provide that no equipment shall be installed and no alterations shall be made in the Unit without the consent of the Board; and

WHEREAS, Unit Owner desires to obtain such consent;

NOW, THEREFORE, the parties agree as follows:

1. Unit Owner's Submissions. Together with this Agreement, Unit Owner is delivering to the Sponsor and the Board:

   a. detailed plans, drawings and specifications for the equipment proposed to be installed and/or the alterations proposed to be made which, if so required by the Sponsor and/or the Board, have been prepared by a licensed architect or engineer. Such plans, drawings and specifications include a room by room list of the equipment to be installed and the alterations to be made.

   b. a check in the sum of $_____ payable to the Board for the security deposit required to be posted by Unit Owner as provided for in Section 13 of this Agreement (and/or such alternate form of security as may be required by the Board).

   c. a check in the sum of $_____ payable to Rose Associates, Inc., managing agent for the Building (the "Managing Agent"), as a processing fee in connection with this Agreement.

2. Review of Plans, Drawings and Specification. The plans, drawings and specifications submitted by Unit Owner shall be subject to review and approval by Sponsor and/or the Board, in their sole discretion, and may be subject to review and approval by Sponsor's and/or the Board's architect or engineer (collectively the "Designated Engineer") in the sole discretion of Sponsor or the Board, and Unit Owner shall make such changes in and to such plans, drawings and specifications as Sponsor, the Board or the Designated Engineer shall require in order to obtain such approval, including, without limitation, such changes as may be required to minimize noise or vibrations to surrounding portions of the Building. The term "Plans" as used in this Agreement shall refer to the plans, drawings and specifications as approved in writing by the Sponsor and/or the Board and the Designated Engineer and the term "Work" shall refer to the work called for by the Plans or any other work performed by or on behalf of Unit Owner. After approval by the Sponsor and/or Board and the Designated Engineer, the Plans shall not be modified without the approval of the Sponsor and/or the Board and the Designated Engineer. Notwithstanding any approval of the Plans by the Sponsor and/or Board or the Designated Engineer, Unit Owner shall be solely responsible for the Plans, for insuring compatibility with the systems and facilities of the Building and for compliance with applicable laws and codes.

   The execution of this Agreement by the Sponsor and the Board does not constitute consent to the work called for by the plans, drawings and specifications submitted by Unit Owner, and the Sponsor and the Board retains all of its rights under this Agreement and the By-Laws to withhold consent. Only written approval of such plans, drawings and specifications as provided for above shall constitute the Sponsor's and Board's consent to the Work called for by the Plans, and any such consent shall be subject to the terms of this Agreement.

3. Pre-Conditions to Commencement of Work by Unit Owner. Unit Owner shall not commence the Work unless and until all of the following has occurred:

   a. The Sponsor and the Board and the Designated Engineer, as same may be required, shall have approved in writing the plans, drawings and specifications submitted by Unit Owner, and Unit Owner shall have received a copy of such approvals.

   b. Unit Owner shall have submitted to Sponsor and the Board (i) a designation of the general contractor or construction manager (collectively the "General Contractor") which will be principally responsible for the Work, which designation shall authorize the General Contractor to submit the information more particularly described on the letter annexed hereto as set forth on Exhibit A annexed hereto (the Contractor's Instructions"), (ii) complete copies of all agreements entered into with the General Contractor and all other such contractors, subcontractors and suppliers pertaining to the Work (collectively the "Subcontractors"), (iii) other than the communications required to be made by the General Contractor in accordance with the terms of the Contractor's Instructions, the name of the party solely authorized to communicate with Sponsor, the Board and the Managing Agent (the "Owner's Representative") (e.g. Owner, General

Contractor, Owner's architect) and (iv) telephone numbers for the Owner, the General Contractor and the Owner's Representative, if different from the foregoing. Prior to the commencement of the work, the General Contractor and the Subcontractors shall have been approved in writing by the Board. Notwithstanding the foregoing (i) prior to the issuance of a permanent certificate of occupancy for the Building, Sponsor may require that Work relating to the structural electrical, mechanical, plumbing, sprinkler or HVAC systems of the Building (collectively the "Building Systems") be performed by contractors designated by Sponsor. After the issuance of a permanent certificate of occupancy for the Building, the Board may require that Work relating to the Building Systems be performed by contractors designated by the Board.

c. Unit Owner shall have made all required filings with, and received all required permits, approvals, licenses and consents from, all governmental agencies having jurisdiction over the Work (collectively the "Governmental Authorities") including, but not limited to, the New York City Buildings Department, the New York City Fire Department and the Landmarks Preservation Commission, and Unit Owner shall have furnished copies of all such filings, permits, approvals, licenses and consents to Sponsor and to the Board. The determination of the Designated Engineer as to the need for any such filing, permit, approval, license or consent shall be conclusive. As a prerequisite to its approval of the Plans and Specifications, Sponsor and/or the Board may require Unit Owner to furnish a letter from Unit Owner's licensed architect or engineer, certifying that the electrical loads required as a result of the Work, will not adversely affect the Building's electrical service and certifying to such other matters as Sponsor and the Board may require. Sponsor may require that Unit Owner utilize a filing representative or expediter designated by Sponsor to file the Plans and Specifications with the Governmental Authorities.

d. Unit Owner shall have caused each of its contractors to furnish to the Board the insurance policies described on Exhibit B attached hereto or certificates thereof. Such policies (i) shall name the Condominium, the Board, the Board's officers and directors, the Designated Engineer, the Managing Agent, Sponsor and the other Unit Owners, as parties insured, (ii) shall be issued by companies reasonably acceptable to the Board and (iii) shall provide that they may not be cancelled or terminated without at least ten (10) days prior written notice to the Board. Unit Owner shall cause all such insurance policies to be kept in full force and effect until the completion of the Work. In the event that such insurance lapses prior to the completion of the Work, Sponsor and/or the Board will have the right to suspend the Work until Sponsor and/or the Board receives evidence of appropriate insurance and approves such insurance. Sponsor and/or the Board reserves the right to revise the parameters and scope of the insurance requirements from time to time. Unit Owner and the General Contractor shall be advised, writing, of any such changes.

e. If requested, the Unit Owner's architect or engineer shall have provided to the Board evidence of professional liability insurance in amounts reasonably acceptable to the Board.

f. The Unit Owner's architect or engineer shall have prepared and submitted to the Sponsor and the Board a schedule of all Work to be performed by the General Contract and each Subcontractor, setting forth the number of weeks and days of the various trades, the anticipated number of workmen involved and affirming that the work can be completed within the time allotted under Paragraph 5d hereof.

g. The General Contractor will be required to attend a start-up meeting approximately two (2) weeks prior to the commencement of the Work. At this meeting the General Contractor will be introduced to Sponsor and other members of the project team. The agenda for the meeting will include a review of the requirements of this Agreement and the General Contractor's construction plan as well as collection of payment to Sponsor of any charges or deposits due hereunder.

4. Unit Owner to Give Notice Prior to Commencement of Work. Prior to commencing the Work, the Owner's Representative shall give at least five (5) days' prior written notice to the Designated Engineer, the resident manager or superintendent of the Building and the Managing Agent of the date on which the Work will commence and the estimated duration of the Work.

5. Performance of the Work.

a. In General. Unit Owner shall perform the Work strictly in accordance with the Plans in a first-class, workmanlike manner in keeping with the standards of the Building and shall not perform any Work not called for by the Plans. All materials shall be new and of high quality. In performing the Work, Unit Owner shall comply with (i) all applicable laws and codes, (ii) the requirements of all insurance policies covering the Work, the Unit or the Building, (iii) this Agreement, (iv) the By-Laws, (v) the Rules and Regulations of the Condominium, (vi) the requirements of Sponsor and the Board and (vii) any directions given by the Managing Agent, the Designated Engineer or the resident manager or superintendent of the Building. The Work will not compromise the energy efficiency or increase the energy consumption of the Building, change the number of zoning rooms located within the Unit or materially delay the issuance of a permanent Certificate of Occupancy for the Building without the consent of Sponsor prior to the issuance of the permanent Certificate of Occupancy or the consent of the Board, after the issuance of the permanent Certificate of Occupancy.

b. Work Hours and Noise. Unit Owner shall perform the Work diligently and in a manner so as not to disturb other residents of the Building. The Work shall be performed only on Mondays through Fridays (excluding holidays) between the

hours of ___ a.m. and ____ p.m.; provided however, that any noisy work which may disturb other residents shall not be performed before ___ a.m. The Work shall not be performed on weekends or holidays. Sponsor until there are no remaining Unsold Units, and thereafter the Board, shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing.

c. Licensing and Labor Harmony. The General Contractor and the Subcontractors, if any, shall be duly licensed to the extent required by applicable law and Unit Owner shall cause its General Contractor and the Subcontractors, to employ only such laborers as shall not conflict with any of the trade unions employed in the Building or otherwise cause disharmony with any Building service union. Unit Owner, the General Contractor and the Subcontractors, expressly acknowledge that Sponsor's contractors and subcontractors will be engaged at the Property to finish construction of the Building (other than the Unit) (the "Sponsor's Work") and Unit Owner, the General Contractor and the Subcontractors agree (i) that they the Sponsor's Work shall have priority over the Work and (ii) Unit Owner, the General Contractor and the Subcontractors must coordinate the Work with Sponsor so that no disruption of the Sponsor Work occurs. In the event such disruption occurs, Sponsor reserves the right to immediately close Unit Owner's job site. During all periods of construction, the General Contractor shall conduct or cause to be conducted all labor practices and relations with employees and subcontractors in such a manner as to avoid all strikes, picketing and boycotts of, on or about the Building. The General Contractor further agrees that if during the period of construction any of its employees or employees of its subcontractors strike, or if picket lines or boycotts or other visible activities objectionable to Sponsor are conducted or carried out by or against Sponsor, its contractors or subcontractors or any of their respective employees, on or about the Building or otherwise involving Sponsor, the General Contractor shall (or Sponsor may, but shall not be obligated so to do) immediately close Unit Owner's job site and remove or cause to be removed all personnel therefrom until the dispute giving rise to such strike, picket line, boycott or objectionable activity has been settled to Sponsor's satisfaction.

d. Required Completion Date. Unit Owner shall cause the Work (other than decorative work such as painting, wallpapering and carpeting) to be completed on or before the date (the "Required Completion Date") which is ___ days (excluding weekends and holidays) after the commencement of the Work. If the Work (other than decorative work as aforesaid) shall not be completed on or before the Required Completion Date, Unit Owner shall pay to the Board, as liquidated damages on account of late completion, the sum of $____ per day (excluding weekends and holidays) until the Work is completed. The determination of whether the Work is completed shall be made by the Sponsor until such time as there are no longer any Unsold Units and thereafter by the Board, and such determination shall be conclusive. The work shall diligently proceed to completion in compliance with all plans and specifications and in conformity with all permits and licenses of any governmental authority. All time limitations set forth in this paragraph shall be subject to extension for delays

caused by or attributable to acts of God, unusual weather conditions or strikes not attributable to Unit Owner or Unit Owner's General Contractor or Subcontractors or other agents bad faith, no to exceed forty-five (45) calendar days. Notwithstanding the foregoing, if, within six (6) months prior to the expiration of the temporary Certificate of Occupancy, the Board or Sponsor, in their sole discretion, determines that the progression of the Work is such that there is a potential to delay or otherwise hinder the issuance of the permanent Certificate of Occupancy for the Building, the Board or Sponsor, as the case may be, undertake to perform, a Unit Owner's sole cost and expense, those items of work necessary to be completed for the issuance of the permanent Certificate of Occupancy.

e. Evidence of Completion. Upon completion of the Work, Unit Owner shall obtain and deliver to Sponsor and the Board (i) a certificate from the architect or engineer who prepared the Plans certifying that the Work has been completed in accordance with all applicable laws and codes and the Plans, and (ii) all required final governmental signoffs and approvals, including if Sponsor or the Board shall require, an amended certificate of occupancy and a certificate from the Board of Fire Underwriters. The determination of the Sponsor, until such time as there are no longer any Unsold Units and thereafter the Board, as to whether the Work has been completed and/or the need for an amended certificate of occupancy and/or any other applicable governmental signoffs and approvals shall be conclusive.

f. Security Personnel. The Board shall have the right, at the sole cost and expense of the Unit Owner, to install or engage or require the Unit Owner to install or engage, security systems or personnel to ensure the safety and well being of persons and property in the Condominium.

g. "As-Built" Drawings. Upon completion of the Work, the Unit Owner shall provide the Board with an "as-built" set of drawings for the Unit.

h. Confidentiality. Any and all knowledge, information, data, materials, trade secrets and work product regarding the Building, obtained, produced, generated or otherwise acquired by Unit Owner or the General Contractor or their agents, employees and Subcontractors shall be confidential.

6. Inspection and Correction of the Work. Sponsor and the Board shall have the right from time to time to inspect or observe the Work and to ensure compliance with the terms of this Agreement, and for this purpose Unit Owner shall provide access to the Unit to Designated Engineer, the Managing Agent, the resident manager or superintendent of the Building, or any other person Sponsor or the Board may authorize. The General Contractor shall be required to conduct a walkthrough with Sponsor and/or the Board for the purpose of observing the construction of the demising wall and perimeter wall assemblies. After the installation of all framing, insulation and vapor barriers General Contractor shall notify Sponsor and the Board and schedule a walkthrough to observe such portion of the Work. The General Contractor may not proceed with installation of gypsum board until written approval of Sponsor and the Board is received. Unit Owner shall promptly make all corrections required by Sponsor or the Board in order to conform

to the Plans and the other requirements of this Agreement. If Sponsor or the Board so requires, such corrections shall include the removal and replacement of non-conforming work. Sponsor's or the Board's failure to inspect shall not be considered a waiver of Unit Owner's obligation to comply with this Agreement. If Unit Owner or the General Contractor observes or otherwise becomes aware that the Work or any of their contract documents are at variance with each other or applicable laws, statutes, ordinances, building codes and regulations in any respect or otherwise are inconsistent, the General Contractor shall promptly notify Sponsor and the Board. If, in the sole judgment of Sponsor or the Board, an Emergency exists with respect to the Work, which in Sponsor's or Board's opinion requires immediate corrective action, then Sponsor may, without notice to Unit Owner's Contractor, perform such corrective work or cause it to be performed by others. In such case, any costs (including general conditions and fees) arising from such corrective work will be borne by Unit Owner and/or General Contractor.

7. Damage or Adverse Effect Caused by the Work. Unit Owner shall be responsible for any damage to or any other adverse effect upon the Unit or the Building (including the structure, shell, systems, equipment, fixtures and finishes of the Building) caused by or resulting from the Work, regardless of when such damage or adverse effect becomes apparent. If any such damage or adverse effect shall occur or arise, Sponsor and/or the Board may (a) require Unit Owner, at its expense, promptly to repair the damage or remedy the condition giving rise to such adverse effect and/or (b) repair such damage or remedy such condition at Unit Owner's expense.

Unit Owner acknowledges that the performance of the Work shall in no event cause any environmental hazards in the Units or the Common Elements (including, without limitation, any environmental hazards such as mold or other bacterial contamination) and that the Unit Owner is obligated at all times (both during and after the performance of the Work) to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

Without limiting the generality of the foregoing, Unit Owner specifically acknowledges that this Section 7 shall be applicable to any damage to the carpeting, wallcoverings or other finishes in the Building's hallways, elevators and other common areas (including without limitation, the cost of cleaning, shampooing, painting or repairing the same if soiled or otherwise damaged).

If the Managing Agent advises Unit Owner of any damage which, in the Managing Agent's opinion, was caused by the Work, Unit Owner shall promptly submit a claim to Unit Owner's insurance carrier and to Unit Owner's contractor for submission to its insurance carrier, and Unit Owner agrees to use all reasonable efforts, and to cause its contractor to use all reasonable efforts, to cause such insurance carriers to expeditiously review and settle all such claims for which they are responsible. The provisions of this paragraph shall not limit Unit Owner's liability under this Section 7.

8. Indemnification and Release by Unit Owner. Unit Owner shall indemnify and hold harmless Sponsor and Sponsor's principals, employees, agents, the Board, the Board's officers, directors and Unit Owners, the Designated Engineer, the Managing Agent, and the other Unit Owners and residents of the Building (the "Indemnified Persons") against any loss, cost, claim, damage (including damage to persons or property) or expense arising out of or related to the Work or any act or omission of Unit Owner, the General Contractor or any Subcontractors, architects, engineers or consultants, including reasonable attorneys fees and disbursements incurred by any of the Indemnified Persons in the defense of any such claim or any suit, action or proceeding based thereon. Unit Owner releases the Board, the Sponsor, the Managing Agent and the agents and employees of the foregoing from any from any liability for damage to the portions of the Unit affected by the Work. Notwithstanding anything to the contrary contained in the By-Laws, the Unit Owner accepts sole responsibility for the work and costs in connection with the maintenance, repair, restoration or replacement of any portions of the Unit affected by the Work, and acknowledges that such responsibility shall pass to the Unit Owner's successor-in-interest in the Unit. Unit Owner shall also be responsible to deliver to the Board a written agreement in the form of Exhibit C hereto in which Unit Owner's General Contractors agree that they will not make claims for damage within the perils of the insurance referred to in this Agreement and will defend, indemnify and hold harmless the Board, the Board's officers, directors, Sponsor, unit owners, agents, partners, servants, employees, tenants, guests, licensees, invitees and their respective agents, servants, employees, tenants, guests, licensees, invitees, officers, directors, shareholders and partners (collectively, the "Indemnitees"), against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in any way relating to the performance of the Work unless such injury or loss of life or loss or damage to property was caused by the willful misconduct or gross negligence of the Indemnitee.

Unit Owner hereby acknowledges that it is a condition of this Agreement that no Work may be performed by, or on behalf of Unit Owner until Sponsor, in its sole discretion, determines that the commencement of the Work will not interfere with Sponsor's Work and Sponsor notifies Unit Owner of said determination in writing. At Closing, Unit Owner has accepted the Unit from Sponsor in its "as is" condition. Upon commencement of the Work, Unit Owner releases Sponsor and the Board from any and all obligation to perform any additional work in the Unit, including, without limitation, weather tightness of windows, exterior walls or roofs, and work of a "punch list" nature. In furtherance thereof, Unit Owner expressly agrees to release and forever discharge Sponsor and its successor and/or assigns and the Board, from all manner of actions, causes of action, suits, debts, dues, sums of money, damages, claims and demands whatsoever in law or equity, which Unit Owner, its successors and assigns ever had, now have, or may have, now or hereafter upon or by reason of any matter arising from or out of the Work to the Unit.

9. Unit Owner to Bear All Costs Associated with Work. Unit Owner shall be responsible for all costs incurred by Unit Owner, Sponsor or the Board in connection with the Work or this Agreement, including, without limitation, the fees and disbursements of any attorney, architect, engineer, consultant or security personnel retained by the Board, the

Sponsor or the Unit Owner in connection with the Work or this Agreement. Without limiting the generality of the foregoing, Unit Owner specifically agrees to reimburse Sponsor and/or the Board for all charges of the Designated Engineer for the review of the plans, drawings and specifications submitted for inspection of the Work or otherwise related to the Work or this Agreement. Waivers of the right to lien or otherwise encumber the Building shall be obtained from the General Contractor and all Subcontractors. However, if for any reason whatsoever, any lien is filed for work done, or material alleged to have been furnished in connection with the Work, Unit Owner shall at its sole expense cause such lien to be bonded or otherwise discharged within twenty (20) days after learning of the existence of such lien. If Unit Owner fails to do so or otherwise defaults hereunder, the Board may pay or bond such lien and otherwise exercise all rights and remedies reserved to it in this Agreement and the By-laws as and for a default thereunder.

10. Additional Requirements.

a. No Change in Building Heating or Air-Conditioning. Unit Owner recognizes that there will be no change in the operation of the Building's heating system or air-conditioning system to facilitate the functioning of any heating or air-conditioning units which Unit Owner may be installing other than stoppages approved by Sponsor or the Board in order to facilitate and enable Unit Owner to hook-up to the Building's heating and air conditioning systems and or sprinkler system. The General Contractor shall submit to Sponsor a plan and anticipated schedule of any required shut downs, drain downs, etc., of the Building's existing systems prior to the commencement of their work. Failure to submit this plan shall cause the General Contractor to be accountable for all extra costs associated with delays to reschedule shut downs, drain downs, etc., should they occur.

No utility interruption will be permitted without written approval from Sponsor and/or the Board. General Contractor is required to give Sponsor and/or the Board at least seventy-two (72) hours notice before any Building or utility service interruption which affects occupied and unoccupied areas. Each request for such interruption will indicate estimated downtime.

Sponsor and or the Board will schedule the appropriate personnel to perform all drain downs and recharging of building systems. The cost of all services provided by the appropriate personnel shall be paid in advance to Sponsor prior to the commencement of any work. The minimum charge for each and every drain down and recharge will be [$500.00].

b. Prohibited Construction Methods. Unit Owner shall not interfere with the Building's intercom, gas, electric, heating, air-conditioning or plumbing system, sprinkler system or any other Building system or service. Unit Owner shall not penetrate any exterior Building wall, attach fasteners in any manner or the exterior building facade or use any pneumatic or power tool such as hammers or other tools which cause excessive vibrations, except with the consent of Sponsor

or the Board. Flammable materials are not to be stored within the Building. They must be used and removed the same day.

c. Accessibility of Valves. Unit Owner shall insure that all water, steam, gas and other valves remain accessible during the performance of and after the completion of the Work. If any valve is enclosed in violation of this Agreement, then Sponsor or the Board may (i) require Unit Owner, at its expense, promptly to remove such enclosure and/or (ii) remove such enclosure at Unit Owner's expense.

d. Use of Public and Common Areas During Work. Unit Owner shall not allow the halls, sidewalks, courtyards and other public areas to be used for the storage of building materials or debris. Electrical and other utility receptacles in the Common Areas may not be utilized to perform any work or power any equipment employed in connection with the Work. Unit Owner shall cause its contractor to cover with construction paper the floor of any back hall to be used in connection with the Work and shall also cause its contractor to take all precautions necessary to prevent damage to the carpeting, wallcoverings or other finishes in the Building's hallways, elevators and other common areas. Only the service elevators may be utilized by for the delivery of materials or supplies.

e. Parking. Parking in front of the Building or in its driveways is strictly prohibited. General Contractor must enter the Building through the designated construction entrance only. No other means of entry shall be permitted. The General Contractor will be expected to check in at the location to be designated by Sponsor or the Board and obtain the required authorization to enter the Building in compliance with the procedures and requirements of Sponsor and the Board. In the event that employees, agents or Subcontractors of General Contractor are in the Building without proper authorization, such individuals will be asked to leave.

f. Safety Precautions. Unit Owner shall maintain functioning fire extinguishers and smoke alarms in the Unit throughout the prosecution of the Work. Unit Owner shall insure that the Work does not block access to any fire exits in the Building. Unit Owner shall install smoke detectors within 15 feet of every sleeping area on the ceiling or wall pursuant to Local Law 62 of 1981 of the City of New York, and if a child 11 years old or under lives in the Unit, Unit Owner shall install window guards pursuant to Section 131.15 of the New York City Health Code.

Hard hats must be worn by all construction personnel at all times. Only work shoes or shoes with leather soles will be permitted in the Building. No personnel wearing gym shoes or soft rubber shoes will be allowed into the Building.

The General Contractor shall abide by all other written safety policies or directives established by Sponsor or the Board. The General Contractor is required to establish a written safety program for its operations, as well as the operations of any of its Subcontractors. Such safety program shall be available at the job site for inspection by Sponsor and the Board. Any accidents or injuries

that occur on the construction site, no matter how minor, must be reported to Sponsor and the Board within twenty four (24) hours of the occurrence. If an accident or injury occurs due to the existence of a dangerous condition, the General Contractor shall take immediate steps to secure the area in order to protect others from further injury.

g. Unit Owner to Control Refuse, Dirt, Dust. Unit Owner shall take all precautions to prevent dirt and dust from permeating other parts of the Building during the progress of the Work, and shall place all materials and rubbish in barrels or bags before removing the same from the Unit. All such barrels and bags and all rubbish, rubble, discarded equipment, empty packing cartons and other materials shall be removed from the Unit and taken out of the Building at Unit Owner's expense and removal of trash containers shall be scheduled for after 3:30 p.m. unless otherwise directed by the Board, but in no event shall such removal interfere with regularly scheduled building operations. Unit Owner acknowledges and agrees that the trash chute may not be used for such removal and recognizes that only the service elevator may be used for such removal and only at such times as the resident manager or superintendent of the Building may direct. Unit Owner shall not permit any dumpster or garbage container to be left outside of the Unit without the written consent of Sponsor or the Board. Notwithstanding the foregoing, the placement of any dumpsters shall comply with all governmental regulations, including without limitation, obtaining any necessary permits. In the event that Sponsor determines that it is reasonably necessary, Sponsor shall have the option to coordinate and perform trash removal from a central location on individual floors and, in that event, General Contractor will be responsible for its share of the cost thereof, which shall be billed on a regular basis.

h. Installations by Unit Owner. Unit Owner agrees that any air conditioning units, terrace plantings and/or structures, wherever located in the Building, may be removed by Sponsor or the Board for the purpose of repairs, upkeep or maintenance of the Building, at the sole expense of Unit Owner.

i. Deliveries to the Property. Under no circumstances will deliveries be allowed to the Building unless General Contractor has secured the prior written consent of the Sponsor, or the Board, at such time as Sponsor has secured a permanent certificate of occupancy for the Building. In addition, all materials must be delivered to the area of the Building as designated by the Board to the Unit Owner.

The General Contractor must be at the Property at the scheduled time of delivery. The delivery vehicle will be allowed to remain at the Property for the time allotted by the prior written consent. No materials will be accepted or unloaded by any person other than those associated with the General Contractor. Under no circumstances can materials be stored for any length of time at the Property. Delivery vehicles will not be allowed at any time to park, stand, stage, load or unload on any of the streets or alleys adjoining the Building.

If the General Contractor fails to appear at the Property and/or completely unload the delivery within the allotted time, the delivery truck driver will be instructed to leave the Property and the General Contractor will be responsible for any re-delivery charges. Sponsor reserves the right to amend and revise the delivery procedures at any time and from time to time.

j. Use of Elevators. The access to and use of the elevator for the delivery of supplies and materials must be requested no less than forty-eight (48) hours in advance of the time that such access and use is required. The request must indicate the period of time that the elevators will be "booked." Unit Owner will be responsible for all costs associated with the operation of the elevator and/or hoisting charges for the period requested. The allocation of elevator "time" shall be made by the Managing Agent, in its discretion, subject to the availability of elevators, but in no event shall such access and use interfere with regularly scheduled building operations.

k. On-Site Supervision. The General Contractor- shall maintain supervisory personnel on-site at all times when the General Contractor has work in progress on-site. Such personnel shall be (i) fully empowered to coordinate and direct the work of its forces and subcontractors, (ii) trained as safety officers and (iii) in numbers sufficient to properly supervise all work.

l. Adjacent Premises. The Board may require that Unit Owner give not less than fourteen (14) days' written notice, setting forth the date the Unit Owner plans to commence the Work and the duration of the Work, to residents in the Units that are adjacent to, above and below the Unit (the "Adjacent Premises") in the form of Exhibit "D" hereto, a copy of which shall be delivered to the Managing Agent or such other form then adopted by the Board,.

11. Unit Owner to Comply with Laws, etc. Unit Owner shall not do or permit any act or thing to be done contrary to law, or which will invalidate or be in conflict with any provision of any liability, casualty or other insurance policies carried by Unit Owner or for Unit Owner's benefit. Unit Owner shall comply with all federal, state and local laws, rules and regulations pertaining to the Work, including any such laws, rules and regulations pertaining to lead-based paint, asbestos and other hazardous material.

12. Maintenance and Repair of the Work. Notwithstanding anything to the contrary contained in the By-Laws, Unit Owner shall be responsible for the maintenance, repair and replacement of the Work and any portions of the Unit affected by the Work, and for all costs incurred by Sponsor or the Board or Unit Owner in connection therewith. Furthermore, Unit Owner releases the Board, the Managing Agent, Sponsor, Sponsor's agents and employees and the Board's agents and employees from any liability for damage to the Work or any portion of the Unit affected by the Work however arising.

13. Unit Owner's Security Deposit. As security for the faithful performance and observance by Unit Owner of the terms and conditions of this Agreement, Unit Owner has deposited the sum indicated in Section l(b) with the Board and/or provided payment and

performance bonds and maintenance bonds in an amount established by the Board. Unit Owner agrees that the Board may use, apply or retain the whole or any part of the security so deposited and the interest earned thereon, if any, to the extent required for the payment of any sums due to the Board under this Agreement as determined in the discretion of the Board. If the deposit is diminished by one-half of the original amount, Unit Owner shall replenish it to the full amount within (3) days after written demand. Unit Owner's failure to so replenish the security deposit shall be a material breach of this Agreement and shall entitle Sponsor or the Board to stop the Work, and/or exercise any remedies it has hereunder. If Unit Owner shall comply with all of the terms and conditions of this Agreement, the security deposit and interest or remaining balance thereof, if any, shall be returned to Unit Owner after completion of the Work. The Board's release of the security deposit shall not constitute acceptance of the Work by Sponsor or the Board or a waiver of any of Sponsor or the Board's rights under this Agreement. Any sums due to the Board under this Agreement and not recovered by application of the security deposit shall be deemed obligations chargeable and collectable as additional common charges to Unit due by Unit Owner to the Board pursuant to the By-Laws.

14. Security; Construction Locks. It shall be the General Contractor's responsibility to safeguard its own materials, tools and equipment at all times and to bear the risk of loss and/or damage thereto, and General Contractor hereby waives any claims against any property damage insurance coverage of the Building, Sponsor or the Board. Construction locks will be required and must be provided by the General Contractor. One key to the Unit must be provided to Sponsor and /or the Board for access to the Unit.

15. Miscellaneous. This Agreement represents the only agreements between Sponsor, the Board and Unit Owner relative to the subject matter hereto. Sponsor and the Board reserve the right to update and amend the requirements governing the Work from time to time. Any changes will be provided to Unit Owner and General Contractor and General Contractor will be required to acknowledge receipt of such update(s). This Agreement may not be changed orally. None of Sponsor, the Board, Manager or Managing Agent or any of their principals, agents, employees, contractors or subcontractors, will be responsible for failure or inefficient performance of Building Services to the Unit resulting from the Work. Unit Owner acknowledges that it has not relied upon any representations, warranties, architect's plans or statements of any nature whatsoever, whether written or oral, made by Sponsor, Sponsor's selling agent, the Managing Agent, or otherwise, including, without limitation, any representations, warranties, architect's plans, statements or estimates relating to the cost, feasibility, safety or compliance with all legal requirements pertaining to the Work, it being understood that approval of the Plans by Sponsor or the Board is not an express or implied warranty as to any such matter. This Agreement shall be binding on legal representatives, successors and authorized assigns. Captions are for the purposes of convenience of reference only and are not to be considered in interpreting this Agreement. SPONSOR, THE BOARD, UNIT OWNER AND GENERAL CONTRACTOR WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING UNDER THIS AGREEMENT.

16. Notices, Assignment. Any notice, request, consent or other communication hereunder shall begin in writing and sent by registered mail or certified mail, to Unit Owner at the address given at the beginning of this Agreement and to Sponsor and Board at the respective address given at the beginning of this Agreement, with a copy, in each case to Stroock & Stroock & Lavan LLP, 180 Maiden Lane New York, New York 10038, Attn: Michel Evanusa, Esq., or to such other address as either party may hereafter designate to the other in writing. The date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. If, at any time, Unit Owner shall require the consent or approval of Sponsor or the Board to any proposed action hereunder, Unit Owner shall make a written request therefor, requesting such consent or approval. In no event whatsoever may Unit Owner rely on any consents, approvals, communications, statements or notices given by any person (including, without limitation, the Managing Agent or the resident manager or superintendent of the Building or any representative of either) who is not a member of Sponsor, or the Board or which are not in writing. This Agreement may not be assigned by Unit Owner.

17. Amendment to Condominium Documents. If the Work involves the combination or subdivision of a Unit or Units, upon completion of the Work and upon receipt of all applicable certifications and approvals, the Board agrees to amend the Declaration of the Condominium ("Declaration") and the Condominium Floor Plans ("Floor Plans") to reflect the modifications to the Unit. Unit Owner agrees to provide the Board with all information and execute all documentation required to amend the aforesaid documents and to pay all costs incurred by the Board or otherwise associated with the amendment of the Declaration and Floor Plans.

18. Assumption by Purchaser. The Unit Owner (a) shall advise the person or persons to whom it transfers the Unit ("Purchaser") of the Work undertaken by the Unit Owner pursuant to this Agreement; (b) shall provide copies of the Plans and this Agreement to the Purchaser; and (c) shall cause the Purchaser to execute and deliver to the Condominium Board an agreement substantially in the form of Exhibit C hereto pursuant to which the Purchaser shall assume all of the obligations of Unit Owner under this Agreement, including the obligation under this Section with respect to any transfer of the Unit by the Purchaser.

The Unit Owner hereby waives any claim against the Condominium Board on account of (a) the Condominium Board advising a potential Purchaser of the provisions of this Agreement, including this Section and/or (b) refusing to accept the sales package with respect to its waiver of its right of first refusal unless and until such potential Purchaser shall execute and deliver to the Condominium Board an agreement in the form of Exhibit C hereto.

19. Unit Owner's Breach and Board's and Sponsor's Remedies. Any breach by Unit Owner of any of the provisions of this Agreement shall constitute a breach of the Declaration and By-Laws and shall entitle the Board to exercise all of the rights and remedies therein provided. In addition, the Board shall also have the right (a) to suspend the Work and prevent workers from entering the Unit for any purpose other than to remove their tools,

and/or (b) to revoke its consent to the Work, and/or (c) to complete or remove all or any part of such Work and restore the Unit to its condition prior to the commencement of the Work at Unit Owner's sole cost and expense, and/or (d) to exercise any of the rights and remedies provided for herein. The remedies provided for herein and in the By-Laws shall not be exclusive and the Board shall also be entitled to exercise any of the remedies provided by applicable law.

The Board and Unit Owner acknowledge that Sponsor is the Sponsor of the offering plan for the Property, pursuant to which Sponsor has certain obligations to complete the Building and that a breach by Unit Owner of any of the provisions of this Agreement could adversely affect Sponsor's ability to perform its obligations. Accordingly the Board hereby assigns to Sponsor all of the rights of the Board pursuant to the Declaration and the By-Laws as may asserted with respect to the Work and this Agreement until such time as Sponsor has obtained a permanent certificate of occupancy for the Building. Until such time as Sponsor has obtained a permanent certificate of occupancy for the Building, the Board shall not consent to any request hereunder which would have the effect of delaying or interfering with or increasing the cost to perform the Sponsor's Work.

Notwithstanding anything to the contrary set forth herein, to the extent notices or documents are required to be delivered to Sponsor or the consent or approval of Sponsor is required hereunder, such delivery, consent or approval shall not be required after such time as Sponsor no longer owns any Unsold Units in the Building. Sponsor, in its sole discretion, may waive its right, in writing, to receive notices or give approvals or consents hereunder.

IN WITNESS WHEREOF, Unit Owner, Sponsor and the Board have executed this Agreement.

THE BOARD OF MANAGERS
OF 200 East 79th Street Condominium

By:
Name:
Title:

200 East 79th Street LLC

By:
Name:
Title:

EXHIBIT A

Date

The Board of Managers
200 East 79th Street Condominium

c/o _____

_____
New York, New York _____

Re: Unit ___ (the "Unit")
_____ (the "Unit Owner")
200 East 79th Street Condominium (the "Condominium")
200 East 79th Street
New York, New York 10075 (the "Property")

Gentlemen:

The undersigned acknowledges being the general contractor for the Work to be performed in the referenced Unit ("Contractor") pursuant to the Plans, as such terms are defined in the alteration agreement (the "Alteration Agreement") entered into between The Board of Managers of the Condominium (the "Board"), the above referenced Unit Owner and ("Sponsor") Contractor acknowledges that it has received a copy of the Alteration Agreement (including. without limitation, the Contractor's Instructions annexed thereto), the Declaration, By-Laws and rules and regulations of the Condominium (collectively the "Requirements") and has reviewed the Requirements, understands them and will in all cases abide by all of the terms, conditions and requirements contained herein while completing the Work at the Building on behalf of Unit Owner. Contractor will be responsible for conveying these Requirements to any of its employees, suppliers and subcontractors who will be bound by these Requirements. Contractor will incorporate by reference the terms hereof into any contract or agreement with any Subcontractor employed by or retained by Contractor in connection with the Work and will deliver copies of all such subcontracts to the Board and/or Sponsor upon request. In all cases, Contractor will be solely responsible for the compliance by its employees, suppliers and subcontractors with the Requirements

Contractor agrees that it will not make any claim against, or seek to recover against the Board, the Board's officers, directors, Sponsor, other unit owners, servants, agents, partners, guests, licensees, invitees, tenants or employees or any of their respective agents, servants, employees, tenants, guests, licensees, invitees, officers, directors, shareholders and partners of the foregoing (collectively, the "Indemnitees") for any damage to persons or property by the perils within the scope of the policies described in the Alteration Agreement, unless the loss or damage is due to the gross negligence or willful misconduct of the Indemnitees. Contractor further agrees to defend, indemnify and hold harmless the Indemnitees against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in any way relating to the performance of the Work, unless such

injury or loss of life or loss or damage to property is caused by the gross negligence or willful misconduct of the Indemnitees.

Contractor agrees:

(A) Contractor will, prior to the commencement of the Work, shall have submitted to the Board a list containing the names of all contractors, subcontractors and suppliers (collectively the "Subcontractors') which will be performing the Work or providing materials and supplies with respect thereto. Such list (the "Subcontractor's List") must be updated within forty-eight hours after any additional Subcontractors are engaged or retained. The General Contractor must submit notification to the Managing Agent (each a "Notice") containing the name of any Subcontractor requiring access to the Property in furtherance of the Work, no less than forty-eight (48) hours in advance of the time that such access is required. The Notice shall include (a) the list of the individuals employed by the Subcontractor (the "Subcontractor's Employees") and (b) the period of time that the Subcontractor seeks to "book" the elevators to bring the Subcontractor's Employees and materials and supplies to the Unit. No Subcontractor will be permitted access to the Building unless the name of such Subcontractor is on the Subcontractor's list and a copy of the subcontract for such Subcontractor has been provided to the Board. The General Contractor acknowledges that the allocation of elevator "time" shall be made by the Managing Agent, in its discretion, subject to the availability of elevators.

(B) Each Subcontractor's Employee identified in the Notice will be given an access pass. Such pass must be worn by the Subcontractor's Employees whenever they are in the Building and must be returned at the end of each work day. All persons gaining access to the work site must wear hard hats and such other safety gear as may be required by Sponsor or the Board.

(C) The party to whom communications are required to be made hereunder and under the Alteration Agreement, including, without limitation, the submission of the Subcontractor's List and the Notices is _____. The Managing Agent reserves the right to change the aforementioned individual upon written notice to the General Contractor and Unit Owner.

Any terms not otherwise defined in this letter will have the meaning ascribed thereto in the Alteration Agreement. By execution of this letter below, the General Contractor hereby acknowledges and agrees to the foregoing and agrees to comply with those provisions of the Alteration Agreement which are the obligation of the General Contractor to perform.

[GENERAL CONTRACTOR]

By:

Name:
Title:

EXHIBIT B

Each of Unit Owner's contractors shall provide insurance of the types and in not less than the limits set forth below with a company or companies satisfactory to the Board, licensed to do business in the State of New York, and all such policies shall name the Board, the Board's officers, directors and Unit Owners, the Designated Engineer, Sponsor and the Managing Agent as additional named insureds. No diminution of limits of insurance will be permitted.

(i) WORKER'S COMPENSATION as required by law together with Employer's Liability Insurance and Disability Benefits Insurance as required by the State of New York.

(ii) COMMERCIAL GENERAL LIABILITY including Contractor's Liability and Blanket Contractual Liability (oral or written), all on an occurrence basis with Personal Injury Coverage, which shall include mental anguish as well as standard conditions, and Broad Form Property Damage, without any exclusion relating to Explosion, Collapse and Underground Property Damage.

The policy will contain the "Broad Form Comprehensive General Liability" endorsement in Section 1 in such form; the exclusion pertaining to liability assumed by the Contractor under any contract or agreement (Section II Section B(l) is to be deleted). The Completed Operations Coverage is to extend for a period of one year following termination of the Work and Contractual Indemnity Coverage is also to extend for one year following termination of the Work. The policy is also to include (a) Owners Protective Liability Coverage, (b) Knowledge of Occurrence and Notice of Occurrence endorsements and (c) Unintentional Errors and Omissions clause. The policy shall also include coverage with respect to asbestos exposure if the Work involves any asbestos-containing material, and shall not include a sunset clause without the Board's consent.

$1,000,000 BODILY INJURY & PROPERTY DAMAGE[1]*
(combined single limit)

(iii) COMPREHENSIVE AUTOMOBILE LIABILITY, including non-ownership and hired car coverage, as well as owned vehicles:

$1,000,000 BODILY INJURY & PROPERTY DAMAGE
(combined single limit)

(iv) UMBRELLA LIABILITY, BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE If umbrellas are written in more than one company any layers above the first one shall follow the form of the primary umbrella.

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[1] Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

$3,000,000 COMBINED2*
(combined single limit)

Prior to the commencement of any work hereunder, detailed certificates of insurance shall be furnished to the Board showing that such insurance is in full force and the premiums due thereunder have been paid. Such certificates shall provide that the said insurance may not be canceled, terminated or modified without ten (10) days written advance notice thereof to the Board. The Contractor shall promptly furnish the Board with copies of any endorsements subsequently issued amending insurance coverage or limits.

In the event of the failure of the Contractor to furnish and maintain such insurance, the Board shall have the right, at its option, at any time:

(a) to revoke permission to perform the work and to deny entry into the Building of all workers, except that if such workers are escorted by a member of the Building's staff, they shall be permitted to remove their tools and supplies, or

(b) to take out and maintain the said insurance for and in the name of the Board, the Contractor or Unit Owner and, in such a case, Unit Owner agrees to pay the cost thereof and to furnish all information and consents necessary to permit the Board to take out and maintain such insurance for and in the name of the Board, the Contractor or Unit Owner.

Compliance with the foregoing requirements to carry insurance and furnish certificates shall not relieve Unit Owner from liability assumed under any provisions of this Agreement.

The Contractor's insurance policy shall also contain in substance the following endorsement:

> This insurance shall not be invalidated should the insured waive, in writing, prior to a loss, any or all right of recovery against any party for the loss occurring to the property described herein.

Nothing in this Exhibit B shall constitute a waiver of or limitation of any other rights or remedies the Board may have for consequential damages or otherwise.

---

[2] Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

EXHIBIT C

ASSUMPTION OF ALTERATION AGREEMENT

WHEREAS, simultaneously with its execution and delivery of this Assumption of Alteration Agreement the undersigned is becoming the owner of Unit ____ in the building known as 200 East 79th Street Condominium and located at 200 East 79th Street, New York, New York 10075; and

WHEREAS, a prior owner of the Unit and the Condominium Board entered into an Alteration Agreement dated _____, ____ ("Alteration Agreement"), a copy of which is attached hereto,

WHEREAS, the Alteration Agreement (1) provides that any person acquiring the Unit shall assume the obligations of the Unit Owner under the Agreement and (2) authorizes the Condominium Board not to accept the sales package in connection with its waiver of its right of first refusal unless and until such person assumes the obligations of the Unit Owner under the Agreement,

NOW, THEREFORE, in order to induce the Condominium Board to accept the sales package and waive its right of first refusal, the undersigned hereby ASSUMES AND AGREES TO PERFORM AND OBSERVE all the terms, covenants and conditions of the Alteration Agreement to be performed or observed by the Unit Owner thereunder (including the provisions of Section 18 thereof pertain to future transfers).

Henceforth, the term "Unit Owner" as used in the Alterations Agreement shall include the undersigned. Any breach of this Assumption of Alterations Agreement or of the Alterations Agreement shall constitute a breach of the By-Laws of the Condominium. This Assumption of Alteration Agreement shall be binding on the undersigned and [her][his] estate, heirs, executors, administrators, personal representatives, successors and assigns.

New York, New York
Date: _____

State of New York }
} ss.:
County of New York }

On this _____ day of _____, _____ before me personally came _____, to me known and known to me to be the individual described in and who executed the foregoing instrument, and duly acknowledged to me that [she][he] executed the same.

_____
Notary Public

EXHIBIT D

TO: [Addressed to the Unit Owners
or residents of the units
adjacent to, above and below,
the Unit Owner's unit]

DEAR _____:

In accordance with the Alteration Agreement between me and the Board of Managers (the "Board") of the _____ (the "Condominium") covering the alterations to be performed in unit ___, you are advised as follows:

1. Alterations will be performed in unit ___ commencing on or about _____. The alteration agreement with the Board permits me an aggregate of ___ days to complete the alterations.

2. I hereby agree to indemnify you for any damage whatsoever to your unit caused by the alterations performed in my apartment as determined by the Condominium's architect. I agree to pay the reasonable cost of repair of such damage. At your option, such repair may be performed, at my expense, by contractors of your choice or by my contractors.

3. In order to take advantage of the foregoing indemnification, you must permit my designated representatives to inspect your apartment prior to the commencement of my alterations. Please call me at _____ to arrange the inspection. You must also permit my designated representative to inspect any damage you claim my alterations have caused.

Very truly yours,

Unit Owner

Unit No.:_____

Date:_____

EXHIBIT "23"

LIEN LAW §71-a(3)

3. (a) The initial advance pursuant to a contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of residential condominium unit or any structure designed solely for residential occupancy of not more than two families living separately, on property to be purchased shall, at the vendee's option, be deposited within five business days thereafter by the recipient in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in this state. Such deposit, together with the interest accumulated thereon, shall remain the property of the vendee except as otherwise provided herein. The recipient shall advise the vendee in writing of the name of the depositary where the funds have been placed within ten business days after such deposit has been made.

(b) In lieu of making the deposit of such moneys in an escrow account as provided in paragraph (a) of this subdivision, the recipient may post with the vendee a bond or contract of indemnity, issued by a surety company licensed to execute such an instrument in this state, guaranteeing the return of the moneys which otherwise would be required to be deposited in such escrow account, in which case the recipient shall not be required to deposit such money in an escrow account. Said bond or contract of indemnity shall be delivered to the vendee within ten business days after receipt of the initial advance.

(c) At any time after making the deposit of such moneys in the escrow account, the recipient may post with the vendee a bond or contract of indemnity issued by a surety company licensed to execute such an instrument in this state guaranteeing the return of such moneys, in which case the recipient shall not be required to maintain the deposit of such moneys in such account.

(d) Such advance shall be retained in the escrow account or such bond or contract of indemnity continued in effect until the trust is terminated (i) by the recipient's performance of the terms of the contract of sale, or (ii) by default of the vendee excusing the recipient's performance of the terms of the contract of sale, or (iii) by release or discharge of the recipient's liability to refund such advance to the vendee, or (iv) upon transfer of title of the real property to the vendee.

(e) Every contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of a residential condominium unit or a structure designed solely for the residential occupancy by not more than two families living apart, shall contain a statement advising the vendee of the provisions of this subdivision. Such statement shall be printed in bold type which is at least two points larger than any other printing contained thereon and shall read as follows:

> "YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE."

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